

HALĀL LABEL ON FOOD PRODUCTS BY MUI (INDONESIAN ULAMA COUNCIL) AND STUDENTS PURCHASING DECISION OF FACULTY OF BUSINESS AND ECONOMIC UNIVERSITAS MUHAMMADIYAH SURAKARTA

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ABSTRACT

The boundary between *halāl* and *harām* in human life is explained clearly by Quran and Sunnah as a form of Allah guardianship. MUI established LPOM as an institution to issue *halāl* certificates on food products. Food products that have been certified will be labeled by MUI logo. Universitas Muhammadiyah Surakarta instills religious values to students and expects them to choose food products with consideration to *halāl* and *harām* aspects. This study aims to find out how much understanding of Faculty of Economics & Business Students on *halāl* food products and how much the influence of MUI Labelization on their decision purchase. The research used field research method and qualitative data. This study showed that 69.3% of students sample who generally have understood *halāl* products and *halāl* label of MUI have a major influence in determining their purchasing to select *halāl* products. Faculty of Economics & Business students who have very good understanding on *Halāl* Products in most cases reached 81.63% of total population.

Keywords: *halāl* label, food products, MUI, students purchasing decision.

INTRODUCTION

The boundary between *halāl* and *harām* in human life is explained clearly by the Quran and Sunnah as a guidance form of Allah. This is to keep them from things that are forbidden in the Shari'a. Therefore, Allah will not justify anything except good and will not forbid anything but the ugly ones (Qardhawi 2000). Consuming *halāl* products, especially *halāl* food is a requirement established in Islamic Shari'ah as affirmed in Quran. On that basis, Muslims are in line with the teachings of Islam, requires that products to be consumed are guaranteed *halāl* and purity. Beside that, producers are required to produce *halāl* products that will be consumed by the Indonesian people who mostly embraced Islam (Tim Penyusun MUI 2015).

There is a special institution in Indonesia that authorize selecting and auditing food products consumed by Muslims to ensure *halāl* aspects. This institution is called the Institute of Supervision and Distribution of Drugs and Food-Indonesian Ulama Council (LPPOM-MUI) (Departemen Agama RI 2003a). This institution is an agency that oversees the food circulation in the community and specifically has the authority to provide *Halāl* Certification on packaging products. *Halāl* Certification is a written fatwa of the Indonesian Ulama Council which states the *halāl*ness of a product in accordance with Islamic law (Departemen Agama RI 2003b).

Halāl Certificate of MUI is a requirement to get permission of *halāl* label inclusion on packaging product from Majelis Ulama Indonesia (Suryati 2001). Manufacturers who have registered their food products to this institution and pass the *halāl* test are allowed to wear *halāl* label in the packaging product. This means that the process and substances contained in the food has been

spared from things that are prohibited by the Shari'a, so it can be consumed properly by Muslims. If there is a packaging product that has not been labeled *halāl*, it is automatically doubtful *halāl* and Muslims can be careful in deciding to buy the product.

Universitas Muhammadiyah Surakarta is one of the institutions of Islamic education that engraft Islamic values in the curriculum of the lecturing. This to educate students certainly in carrying out all operational purchasing activities so their acts can not be separated from the values of Islamic Law. This policy contribute to fill the gap and challenge to lack of Islamic human resources to build islamic economic advancement (Alam 2016) .

This research tries to formulate research problem questions based on the various exposures above. Research questions can be formulated in the form of the following questions:

1. How much is understanding of Economics & Business Faculty Students of Universitas Muhammadiyah Surakarta about *halāl* food products?
2. Does *halāl* labelization affect purchasing decision of students of Universitas Muhammadiyah Surakarta?

This research has several objectives and benefits as the following:

1. To find out how much understanding of Economics & Business Students of Universitas Muhammadiyah Surakarta on *halāl* food products.
2. To find out how much MUI Labelization influence on food product purchasing decision of Economics & Business Faculty Students of Universitas Muhammadiyah Surakarta

LITERATURE REVIEW

This research has collected and reviewed some of the previous research outcomes relating to the discussed themes. Yayuk (2013) stated that there is a positive and significant influence between the *halāl* label on the purchase decision Mie sedaap proved true. From the results of the research, it is found that *Halāl* Label Variables (VLH) have a positive and significant influence on People Purchasing Decision with degree of trust of 95%.

Mukhtarom (2011) explained his research findings that the *halāl* label, nutrition and expiration have significant effect to purchasing decision. This indicates the need for the producers of packaging food products to pay attention to listing the label of *halāl*, nutrition, and expired in the packaging of its food products, thereby increasing the sales of the product.

Mahwiyah (2010) concluded that *halāl* labeling has a significant effect of 54.7%. The study indicated a moderate effect of *halāl* labeling on consumer purchasing decisions. (Iranita 2011) showed finding that *halāl* labeling is believed to already have passed the test material and auxiliary tools to certain products do not contain *harām* elements. While in the purchase decision 50% of correspondents have been influenced by family and have not paid attention to *halāl* labeling listed in the package. However, *halāl* labeling on food is believed to pose no health hazards.

Mukhlisin (2013) suggested that the level of understanding of Faculty of Islamic studies students about *halāl* certification is low at 58.9%. The idea that *halāl* labels can only be obtained by relatively large companies is stronger than understanding the importance of *halāl* concept in food products. While at the food consumption level, Faculty of Islamic studies students are

high with low awareness of *halāl* labeling that illustrated in food products.

Based on previous finding studies that has been collected, there is no thorough research related to the effect of *halāl* labeling in purchasing decisions among Students of Muhammadiyah University of Surakarta especially for Students Faculty of Economics & Business. Therefore, researchers want to do research with a wider perspective. The previous researcher will be used as a reference and consideration in this study

METHODS

This study used field research and obtain qualitative data. Qualitative data is data as a research procedure that produces descriptions or images that can be written or spoken words from people or perpetrators that can be observed (Prasetyo 2005). This research took place at Muhammadiyah University of Surakarta, with students of Faculty of Economics & Business as object of research including all the majors such as accounting, management and economic development.

The population can be defined as whole individual data which become the source of sampling (Mardalis 1989). Sampling is part of the population to be studied. Therefore, the sample should be seen as an estimate of the population and not the population itself. Another understanding to define the sample is part of the population that has the same properties of the object from the data source. Looking at the various opinions above it can be concluded that the sample includes any good subject or object that allegedly has the same nature of the population. Regarding to this, population to be conducted in this study covers students of

Faculty of Economics & Business, from various majors including Accounting, Management, and Economic development program. Total sample of data was 4134 active students in 2016.

Selecting sample of population is important in this study. So the data collection process used in this study is random sampling. Random sampling means every element of the population is given equal opportunity or equal probability to be selected into sample (Kusdiyanto 1997).

This study used Slovin sample taking technique considering the the number of population in the Faculty of Economics & Business students which exceeds 100 people. Slovin formula made population divided by the precision (the fault tolerance limit) and set at 10%. Using a 90% accuracy rate and added plus 1 the result is 97.638 (rounded to 98). Hence, it can be concluded that the sample to be taken is 98 people from the total population of students with percent leniency inaccuracy due to intolerable sampling error (10%).

This study used several data collection methods including interview, questionnaire, and documentations. Interview is a process of communication interaction conducted by at least two persons, on the basis of availability and in a natural setting, in which the direction of the conversation refers to the predetermined goal of prioritizing trust or trust as the main foundation in the process of understanding (Rumidi 2006). In this case, this interview is conducted to the Economics & Business students as consumers and also the object of research. Interview is conducted by asking a structured question that is based on a list of questions that have been provided. This action lead to know the extent to which the knowledge and opinions of students about the existence of *halāl* label in food products.

This study also used questionnaire as a primary data collection technique through the distribution of questionnaires to a sample of respondents who are considered to represent the entire population. In this case the researcher will disseminate the questionnaire to the Economics & Business students to get the results as well as data will be the final result and conclusion of this research. The time to collect questionnaire directly at the University of Muhammadiyah Surakarta is March-May 2016.

Documentation in this study derived from the written material. In carrying out the method of documentation, this study investigate written objects such as books, magazines, documents, records and so on (Suharsimi 1992). In this case the authors collect data and information in the form of matters relating to students of the Faculty of Economics & Business UMS as secondary data in the form of student data and so forth.

Data analysis is an attempt to find and organize systematically records of observations, interviews and others to improve the researcher's understanding of the case under study and present it as a finding for others (Suharsimi 1992).

Data analysis can be determined using inductive methods, that is, methods that depart from specific rules (things or events), to define general laws, in the form of conclusions based on specific circumstances for general treatment. Concrete examples and facts are described first, then formulated into a conclusion or generalization. In the inductive method, the data is reviewed through an ongoing process of fact. Besides that, deductive method is also used as a withdrawal of conclusions obtained from cases of a general nature into a conclusion that the scope is more individual or special. So in this case the author will describe about how the Effect of *Halāl* MUI Labeling on Food

Products to Purchase Decision Economics & Business Students of Universitas Muhammadiyah Surakarta 2016.

RESULTS

The results section summarizes the data collected for study in the form of descriptive statistics and also reports the results of relevant inferential stastically analysis (e.g., hypothesis tests) conducted on the data. You need to report the results in sufficient detail so that the reader can see which stasticall analyses were conducted and why, and to justify your conclusions. Mention all relevant results, including those that are at odds with the stated hypotheses (American Psycho;ogy Association 2001: 20).

As stated in the vision of the Faculty of Economics & Business that the goal of the academic process is to deliver a person who excels economic power and stays with Islamic values so can give direction changes to the national economy. It means that generation of the Faculty of Economics & Business is set to become the spearhead that will touch and contribute directly to the economic situation in the future society. Academic Information in Faculty of Economics & Business declared since 2012 that 4134 persons are active students . With this population there will be 98 students who will be sampled.

Sampling was conducted randomly without looking at the background of each student. It covered who is majoring in development economics, management and accountancy, as well as students who are active in ormawa activity or not. Then, all of samling student were given the same rights in providing questions and receiving answers related to the research that the author lifted. That was about *halāl* food, label, until the influence

of MUI *halāl* labelling in determining the student purchase of food products.

Description of Student’s Understanding Faculty of Economics & Business University of Muhammadiyah Surakarta on *Halāl* Food Products

In analyzing the understanding of Economics & Business students on *halāl* food products, this study will use descriptive statistical analysis. That is the analysis based on the tendency of answers that obtained from respondents. The answers was designed to several choice such well understanding, less understanding and no understanding. This to simplify the researcher in describing the classification of respondents.

Based on the table 1 below, the level of students who are very familiar with *halāl* products is able to explain the meaning of *halāl* products, *halāl* label and *halāl* food criteria in general, as formulated by the Indonesian Ulama Council. The indicator who has less understanding is able to explain the meaning of *halāl* product, *halāl* label and *halāl* food criteria in general but not perfect, and the indicators for who do not understand is those students can not explain things related *halāl* to products.

Table 1. Indicator of Understanding of *Halāl* Products

Level of Understanding	Indicator
Well Understanding	Ability to explain <i>halāl</i> products, and <i>halāl</i> criteria of a food product in general
Less Understanding	Ability to explain <i>halāl</i> products, and <i>halāl</i> criteria of a food product but not perfect
No Understanding	Inability to explain <i>halāl</i> products, and <i>halāl</i> criteria of a food product

Based on the results of interviews and also questionnaires in this study, it can be found a variety of different answers in the form of the following table.

Table 2. Survey of Level Understanding Respondents about *Halāl* Product Definition

Level of Understanding	Indicators	Answers	Number of Respondents
Well Understanding	Ability to explain <i>halāl</i> products, and <i>halāl</i> criteria of a food product in general	Foods that are allowed by the Islamic Sharia to be consumed..	41
		Foods that contain no pork and ingredients derived from it..	10
		All matters which include election, manufacture and implementation in accordance with the teachings of Islam.	29

Based on the obtained results, this study found various answers in explaining *halāl* product and *halāl* criteria. 41 respondents answered that *halāl* food products are food products allowed by the Shari'a and not contradictory by the Quran and sunnah. Other definition said that *halāl* food is selected materials and processed in accordance with the teachings of Islam. Another opinion replied that *halāl* food products are free from pigs and other harmful materials such as carrion and alcohol. Referring to three answers above, it can be said that the answers are in line with the food criteria mentioned by the Indonesian Ulama Council. This answer represents 80 other respondents.

Table 3 below demonstrated the answers of respondents with less understanding to clearly explain *halāl* products, and *halāl* criteria of a food product but without perfect explanation.

Table 3. Survey of Level Understanding Respondents about *Halāl* Product Definition

Level of Understanding	Indicators	Answers	Number of Respondents
Less Understanding	Ability to explain <i>halāl</i> products, and <i>halāl</i> criteria of a food product but not in perfect answers	<i>Halāl</i> food products are products through high filtering that conducted by producers	8
		Food that has passed the health test and been guaranteed safely for consumption	7

One respondent namely Ardi replied that *halāl* food products are products with a high process of filtering done by muslim producers. Similarly, other respondent answered that *halāl* food is a food that meets the requirements of laboratory tests to ensure health and hygiene. Both answers above can represent at least 15 other respondents who answer the same essence.

Table 4 below illustrated the answers of respondents with no understanding criteria as they have inability to explain the meaning of *halāl* products, *halāl* label and *halāl* food criteria.

Table 4. Survey of Level Understanding Respondents about *Halāl* Product Definition

Level of Understanding	Indicators	Answers	Number of Respondents
Less Understanding	Ability to explain <i>halāl</i> products, and <i>halāl</i> criteria of a food product but not in perfect answers	Not answering correctly about the meaning of <i>halāl</i> products and unable to explain the criteria of <i>halāl</i> food in general	3

The next opinion is submitted by repondent namely Fergi who define that *halāl* food products is a common perception about

the worth food to be consumed.. This statement only represents 3 respondents of total sample. This because the answer that they give is not relevant to Indonesian Ulema Council criteria about *Halāl* Products. Meanwhile, to know the level of understanding of Faculty of Economics & Business students to MUI labelization, can be explained by the following table 5.

Table 5. Survey of Level Understanding Respondents about *Halāl* Product Definition

Level of Understanding	Indicators Answers	Number of Respondents
Well Understanding	Very understand the process of giving <i>Halāl</i> Certificate to the company and allowed to use <i>halāl</i> label on its product	48
	Declaration of <i>halāl</i> MUI contained in food products to declare <i>halāl</i> products	27

According to Table 5 above, the results obtained from the notion of *halāl* labeling also resulted in various answers. One respondent Mila replied that *halāl* labeling is the process of giving *halāl* certificate by MUI to the company allowed in order to be allowed to use *halāl* label on its products. Next respondent namely Nur said *halāl* labeling is a *halāl* statement on food products by MUI to declare *halāl* products. Looking at these two opinions then this opinion is appropriated with the intention of MUI *halāl* labeling. This answer was considered correct and represented 75 correspondents who answered with the same essence.

Table 5. Survey of Level Understanding Respondents about *Halāl* Product Definition

Level of Understanding	Indicators Answers	Number of Respondents
Less Understanding	Understanding <i>Halāl</i> labels on food products by Islamic organizations in Indonesia based on Islam	48
	Label made by the government to signify a <i>halāl</i> product	27

Table 6 illustrated survey for those who have less understanding about *halāl* product definition. Respondent Erna said that *halāl* labeling in food products which is made by Islamic organizations in Indonesia based on Islam. In Addition, other respondent Yunita argued that *halāl* labeling is a label made by the government to signify a *halāl* product. Regarding these opinions, this study tends to assessed those answer as less precise, and the respondents have not fulfilled the true essence of *halāl* labeling. This answer also represents from 20 respondents who answered with the same essence.

Table 7. Survey of Level Understanding Respondents about *Halāl* Product Definition

Level of Understanding	Indicators Answers	Number of Respondents
Not Understanding	Images contains <i>halāl</i> words in food products that sold b companies	3

Table 7 represent respondents who completely do not understand to define *halāl* product correctly. Respondent Agus said that *halāl* labelisasi is a *halāl* word form in food products sold by the company so that without any interference MUI, the company can put a *halāl* label on its products. Seeing the two opinions above, the authors tend to see much off the meaning of

halāl labelisasi actually thus said not appropriate. This answer also represents 3 respondents who answered with the same essence.

Overview of the Effect of *Halāl* MUI Labeling on Food Product Purchase to Students of Faculty of Economics & Business Universitas Muhammadiyah Surakarta

After describing the understanding of the students about *halāl* labeling, then this study will explain how the understanding of *halāl* products and labeling affect the pattern of purchasing students of Faculty of Economics & Business . Total 75 students are categorized as who understand *halāl* Products and Labelization. To know their purchasing patterns in food product, will be explained in the table 8 below

Table 8 Student Survey Considering *Halāl* Label in Buying Food Products

Influence of <i>Halāl</i> Label	Reason	Number of Respondents
Deeply Consider	Because a Muslim is obliged to keep himself from what is forbidden by the Islamic Shari’a.	28
	Because <i>halāl</i> food will create a social morality that reflects the Islamic community	5
	Because <i>halāl</i> food will create a social morality that reflects the Islamic community	12
	Because <i>halāl</i> -labeled products are more assured of the manufacturing process than are not woven	7

Looking at the results of the survey above it can be concluded that the *halāl* label affected the purchasing decisions of students Economics & Business. Total of 52 students made the *halāl* label as a consideration in determining the purchase decision.

One respondent Windy argued that a muslim should follow the guidelines of the Quran and hadith in order to keep themselves from forbidden things in Islam. This is certainly in accordance with the teachings of Islamic law written in the Quran so that people eat allowed food and stay away from prohibition. On the other hand, one respondent Sari said that *halāl* labeling is a consideration because *halāl* or good food will certainly generate good output or morality for human continuity, and that is a hallmark of Islamic society.

In addition, respondent namely Putri argued that *halāl* labeling on food products will be a guarantee of safety to consume. This is because there of a MUI recognition describe that the product is free from *haram* things. The last opinion from respondent Rina said that *halāl* labeling on food products can be taken into consideration because will be more guaranteed for the process of making than the unlabeled *halāl*. This is of course justified because the MUI has a auditor team who serves as a guarantor of product quality and ensure the release of all substances that are *haram* and harmful to the human body. This is as written in the 2003 *halāl* MUI auditor Guidebook.

Based on the data of table below, the researchers concluded that a small part of the students of Economics & Business believes that the existence of *halāl* label does not affect them in determining the purchase of food products

Table 8 Student Survey Considering *Halāl* Label in Buying Food Products

Influence of <i>Halāl</i> Label	Reason	Number of Respondents
Not Considering	Because <i>halāl</i> labels are only a symbol of the product, it is not ascertained in accordance with the actual process .	7
	Because <i>halāl</i> products are usually only found in relatively high-end product products that can afford to pay. While the small market is not necessarily able to pay by considering the cost, although the actual materials used <i>halāl</i>	16
	Because food that has been considered <i>halāl</i> by the general public then should the food is <i>halāl</i> , let alone kosher according to local scholars.	0

One of the reasons is presented by respondent Ida who answered that the *halāl* label is only a *halāl* symbol and can not be ascertained whether the finishing practice is in accordance with the Shari'a and *halāl* requirements of food products. This is continuous with respondent Tiara's reply saying that *halāl* food is certainly not predictable only by *halāl* logo because it can be manipulation between selection process by MUI and production process when actually post audit conducted by MUI. Both of these opinions represent from 7 repondents who answered with the same essence.

Another answer was given by respondent Yuni who said that *halāl* label is usually only found on famous brand product that has ability to pay the process of getting *halāl* label, while small micro market certainly can not afford that because of the limitations of budget cost. Although the materials and processes performed sometimes have been in accordance with *halāl* requirements. This answer represents 16 respondents who answered with the same essence.

DISCUSSION

Analysis of Understanding Level of Student Faculty of Economics & Business Universitas Muhammadiyah Surakarta to *Halāl* Food Products.

As explained that MUI's *halāl* label on food products is a statement given by MUI through *halāl* certification process to producers, stating that the product is declared as *halāl*. MUI stipulated and fulfilled all terms and applicable mechanisms in *halāl* labeling process. In Addition *halāl* Products by Majelis Ulama Indonesia (MUI) stated that *halāl* food products are free from pork and do not contain forbidden ingredients, such as materials from human organs, blood, dirt and others. All materials of food products derived from *halāl* animals and slaughtered according to Islamic Shari'a.

All storage, sales, management and transportation facilities should not be used for pigs. If ever used pig or other unlawful goods must be cleaned first with the procedures based on Islamic law. All foods and drinks also have to be cleaned from wine ingredient.

In order to find out how far the level of understanding of Economics & Business students of Universitas Muhammadiyah Surakarta on *halāl* products, the authors will describe based on interviews that have been done before, by finding a variety of answers, one of which is respondent Kris who said that *halāl* food products are food products allowed by the Shari'a and do not contradict the Quran and sunnah. Commenting on that statement, author considered this answer has fulfilled the essence of a *halāl* food product criteria that is meant by the MUI, which of course should not conflict with what has been outlined by the Quran and Sunnah. One of them is mentioned in Al Quran Surah Al-Baqarah (2): 168.

يَا أَيُّهَا النَّاسُ كُلُوا مِمَّا فِي الْأَرْضِ حَلَالًا طَيِّبًا وَلَا تَتَّبِعُوا خُطُواتِ الشَّيْطَانِ
إِنَّهُ لَكُمْ عَدُوٌّ مُبِينٌ

O people! Eat of what is lawful and good on earth, and do not follow the footsteps of Satan. He is to you an open enemy.

In line with Kris's opinion, one of respondents, according to respondent Sofi *halāl* food is food that selecting of materials and its processing have been in accordance with the teachings of Islam. The author argues that argument counted into appropriate definition because every used material will determine the results of the product as well as processing. No attention to the guidance of the Shari'a cause the food *haram* because of mistakes in processing and implementation. Although actually using a kosher material. This is also in accordance with the criteria mentioned by the MUI.

Another opinion was also given by respondent Annisa , who argued that *halāl* food products is food that is free from pigs and other dangerous materials such as carcasses, alcohol etc. This research considers this assumption to at least meet the criteria of *halāl* products, since the use of pigs is clearly *haram* absolute, and the MUI auditor team certainly will not grant producers permission to use *halāl* label because the use of pigs, carcasses or *khamar* is also not allowed in processing *halāl* certification MUI.

Considering the three answers raised by the respondents, it can be concluded that the students of the Faculty of Economics & Business that *halāl* products are products in the manufacture starting from materials selecting to processing does not contain elements such as pigs, carcasses, harmful substances and *khamar*.

This does not contradict at all the Islamic Shari'a. So the authors consider this general conclusion is appropriate with criteria declared by MUI.

The obtained conclusion indicates that the students of Faculty of Economics & Business who understand generally the definition of *halāl* product is large enough population, about 81.63% of all sample of FEB students. Another opinion was also raised by some FEB students, among others, respondent Ardi who answered that *halāl* food products are products through a high process of filtering conducted by Muslim producers. Similiar to that respondent Ian answered that *halāl* food is a food that qualifies laboratory tests to ensure health and hygiene.

Commenting on the 2 opinions above this research sees that the answer given by both is not appropriate, but not deviated far from what is meant by MUI *halāl* food. Because every process of selecting and processing *halāl* food should be through high filter and pass the health test. But Islam regulates more than than just healthy because the food must be allowed by the Shari'a. The Quran confirms in Al Quran the Surah Al-Maidah (5) verse 4:

In line with respondent Kris's opinion, according to respondent Sofi *halāl* food is food that its selection of materials and processing have been in accordance with the teachings of Islam. This paper considered that opinion certainly include appropriate definition because every used material will determine the results of the product as well as processing and if there is no attention to the guidance of the Shari'a, then the food may be haram because of mistakes in process and implementation although actually use *halāl* material. This is also in accordance with the criteria mentioned by the MUI.

Another opinion is also given by respondent Annisa who argued that *halāl* food is free from pigs and other dangerous materials such as carcasses, alcohol etc. This paper considered this assumption to at least meet the criteria of *halāl* products, since the use of pigs is clearly absolute prohibited, and the MUI auditor team certainly will not grant permission to use *halāl* label because the use of pigs, carcasses or *khamar* which are not allowed in *halāl* certification processing.

Analysing the three answers raised by the respondents, it can be concluded that the students of the Faculty of Economics & Business assume that *halāl* products are products that in the manufacture ranging from materials to processing does not contain elements such as pigs, carcasses, harmful substances and wine. So this does not contradict the Islamic Shari'a. this research considered this general conclusion is in line with what the MUI has declared.

The obtained conclusion indicates that the students of Faculty of Economics & Business who understand the definition of *halāl* product in general is large enough population, that there is 81.63% of all sample of FEB students. Another opinion was also replied by some FEB students such as respondent Ardi who answered that *halāl* food products are tested products through a high process of filtering done by Muslim producers. In line with that is respondent Ian who answered that *halāl* food is a food that qualifies laboratory tests so as to ensure health and hygiene.

Commenting on the two opinions above this paper see that the answers given by both are not appropriate, but not deviated far from what is meant by *halāl* food as MUI did. Because every process of selecting and processing *halāl* food should be through high filter and pass the health test. But Islam regulates more than

that, that is apart from the health and of course the food must be from the good allowed by the Shari'a. The Quran confirms in Surah Al-Maidah (5): 4

يَسْأَلُونَكَ مَاذَا أُحِلَّ لَهُمْ قُلْ أُحِلَّ لَكُمْ الطَّيِّبَاتُ وَمَا عَلَّمْتُم مِّنَ الْجَوَارِحِ
مُكَلِّبِينَ تَعْلَمُونَهُنَّ مِمَّا عَلَّمَكُمُ اللَّهُ فَكُلُوا مِمَّا أَمْسَكْنَ عَلَيْكُمْ وَاذْكُرُوا اسْمَ اللَّهِ
عَلَيْهِ وَاتَّقُوا اللَّهَ إِنَّ اللَّهَ سَرِيعُ الْحِسَابِ

They ask you (O Muhammad) what is lawful for them (as food). Say: "Lawful unto you are At-Tayyibat [all kind of Halāl (lawful-good) foods which Allah has made lawful (meat of slaughtered eatable animals, milk products, fats, vegetables and fruits, etc.)]. And those beasts and birds of prey which you have trained as hounds, training and teaching them (to catch) in the manner as directed to you by Allah; so eat of what they catch for you, but pronounce the Name of Allah over it, and fear Allah. Verily, Allah is Swift in reckoning.

From the obtained answers above it is concluded that students who understand *halāl* products but not perfect is 15.30% of all samples. Furthermore, another opinion was also delivered by respondent Fergi who said that *halāl* food is a common assumption that the food is worthy to be consumed and *halāl*. Surely this answer is stretched far from the criteria that have been set by MUI.

Commenting on who answered not perfectly this paper assume that this is not in accordance with the criteria intended by MUI. Because of the existence of this criterion is actually a major benchmark in determining the food is *halāl*. It is also based on the MUI of the Quran & Sunnah, not to the local community

and ulama. Surely as a Muslim of course Quran & Sunnah criteria became the death price in determining the *halāl* product.

From the description above, it can be concluded that there is 3.07% of Faculty of Economics & Business students understand *halāl* Product only as a mere assumption, but not yet understand the real essence of the existence of MUI *halāl* criterion. This paper consider this is not appropriate and far from the definition and MUI .criteria

The next sub is about *halāl* Labeling, this research also finds various answers among others, respondent Mila replied that *halāl* labeling is the process of giving *halāl* certificate by MUI to company and then allowed to use *halāl* label on its product. Next is respondent Nur who said that *halāl* labeling is a *halāl* statement on food products by MUI to declare *halāl* products. Commenting on the two statements above this research assume that the answers presented above have fulfilled the essence of the meaning of *halāl* labeling itself. So it can be said that the answer given is exactly as MUI means that *halāl* Labeling is *halāl* labeling on a food product through certification process by MUI stating that the product is *halāl*. In this case the answer with the same essence is explained by 76.53% of the total respondents.

The next opinion submitted by respondent Erna who replied that the *halāl* labeling in food products is labeling *halāl* food products by Islamic organizations in Indonesia based on Islamic rule. Commenting on Erna answer, this paper assume that the answer given has at least conceived the essence of *halāl* labeling, but it has not been seen to be perfect, since not all Islamic organizations can issue a *halāl* fatwa and acknowledged by the government. MUI is the only government agency that entitled to issue such a fatwa. Thus, such an opinion is categorized in a lack

of understanding. But this answer was able to represent about 20.40% of the number of respondents.

Different comments were also found by the author, which was delivered by respondent Agus who said that *halāl* labeling is in the form of images of *halāl* words in food products sold by the company so that without any interference of MUI, the company can put a *halāl* label on its products.

Such this pinion, this research considers that the opinion has been far out from the definition of MUI *halāl* labeling. The *halāl* labeling of MUI is the official government agency which issue *halāl* statements on food products, through long procedure, and relying on the Quran and Sunnah. So that the validity of *halāl* label that obtained by MUI means nationally recognized as *halāl* product. But this answer is only able to represent 3.06% of the total respondents.

From all obtained data and has been elaborated in this paper, it can be concluded that the category of understanding that is classified as very good or high understanding in the faculty of Economics & Business UMS about *halāl* products indicators to answer appropriately is as much as 81.63% of respondents. For a moderate or lesser understanding with an indicator to answer in general but not perfect is 15.30% of respondents. While the category of low level of understanding that can not explain or not in accordance with the criteria MUI get 3.07% of the total number of respondents.

Then from the obtained results that related to the understanding of Economics & Business students on *halāl* Labeling showed 76.53% of respondents who understand about the definition of *halāl* labeling, with indicators respond appropriately. Furthermore, students with moderate understanding but not with perfect

indicators obtained 20.40% of total respondents. Students who do not understand *halāl* labeling with not responding appropriately there is 3.06% of respondents.

Analysis of the Effect of *Halāl* MUI Labeling on Students Faculty of Economics & Business University of Muhammadiyah Surakarta to Decision of Purchasing Food Products

Based on the results that obtained in this research through the survey, demonstrated that 75 students who become sample, has been able to understand and answer exactly related to the product and the *halāl* label MUI. In this section the authors will categorize the respondents into two parts, namely the students who consider the *halāl* label in the purchase, and students who do not consider in purchasing product.

The first group, which considers the *halāl* Label in purchase decision and provides arguments among others is respondent Windy who gave the opinion that a Muslim should follow the guidelines of the Quran and hadith in order to keep themselves from things that are forbidden by Islam . Commenting on this answer this research assume that is the one purpose of holding MUI label. This is also reinforced by Fiqh's rule cited by Musbikin (2001) :

إِذَا اجْتَمَعَ الْحَلَالُ وَالْحَرَامُ غَلَبَ الْحَرَامُ

If the halāl and the haram are joined, then the haram takes precedence.

Another opinion conveyed by respondent Sari who said that *halāl* labeling is a consideration because *halāl* or good food will

certainly generate good output or morality for human continuity, and this is a hallmark of Islamic society. In addition, respondent Putri argued that *halāl* labeling on food products will be a guarantee of security to consuming it, because there is a recognition of MUI that the product is free from things that are *haram*.

As explained in the *Maqashid Shariah*, one of them is to keep the offspring, mind and family from things that will destroy the generation. The same thing is mentioned in the PPK (Consumer Protection Law) Law No.8 Year 1999 that explained that one of the consumer rights is to get comfort, safety of the producer products. The last opinion from respondent Rina who said that the labeling *halāl* on food products can be considered as intermediate products with *halāl* label will be more guaranteed the process of making it from the unlabeled *halāl*.

This statement is corroborated by the purpose of the MUI that food that has been labeled by MUI then automatically the material until the making process are in accordance with Islamic Shari'a. As the purpose of MUI is to avoid *haram*. Opinion above when examined further, the decision to purchase a food product by considering the existence of *halāl* label is quite significant among the students of economics Faculty.

That is about 69.3% of total respondents. Looking at the facts above, it can be said that most of the students of the Faculty of Economics & Business who already have an understanding of *halāl* products and labeling given by the MUI just consider *halāl* labeling as a purchase decision of a food product. But of course still can be improved again by considering Universitas Muhammadiyah Surakarta is one of campus that apply Islamic values in its learning curriculum, one of them is Islam and Muhammadiyah subject which become capital base for every student to understand religion science.

The second group is a group of students who do not really consider *halāl* labeling as a benchmark in their purchasing decisions. This is expressed by one of the students, Ida who answered that the *halāl* label is only a *halāl* symbol and it is not yet certain whether the practice is done in accordance with the Shari'a and *halāl* requirements of food products. The harmonious opinion is also conveyed by respondent Tiara who said that *halāl* food is certainly not predictable, it could be manipulation between the selection process with MUI and the actual production process after MUI audit.

Responding to this statement, it is contained in the Consumer Protection Law (HPK) article 7 of Law No.8 Year 1999 that stated that one of the obligations of producers is to provide product information correctly, clearly, honestly, about its products. As well as guarantee the quality of goods and or services produced and or traded under the provisions of quality standards of goods and or services.

So that consumers can complain about any complaints about the products that they used that is not in accordance with the provisions that already existed above. While MUI as auditor in selecting *halāl* food, of course has put one person as auditor or supervisor in company, and appointed directly by MUI. The next comment was delivered by respondent Yuni who said that *halāl* label is usually only found on famous brand products that have to pay for *halāl* labeling process, while relatively small micro market certainly can not do that because of the limited cost, especially for middle class group although they conducted the actual materials and processes are sometimes in accordance with *halāl* standards in general.

This assumption may be true, because we can find directly the people who are difficult to register their products due to the cost so it has not been able to run various procedures applied by MUI, of course this becomes a breakthrough for MUI to provide a better chance for food products to register *halāl* labeling which is also a goal of Islamic society that keeps them from things that are unlawful.

From the argument above it can be concluded that the classification of students who do not consider *halāl* labeling in purchasing decisions is relatively small. There is 30.7% of the respondents who answered with the same essence that does not make *halāl* label as a consideration in their purchase. Thus overall this research assume that the students of the Faculty of Economics & Business largely consider the *halāl* label as a consideration in purchasing their food products, this is because 69.3% of the total number of samples. or the majority of Faculty of Economics & Business students also understand the essence of *halāl* products and labeling provided by MUI in purchasing decisions on food products.

CONCLUSION

Based on the entire explanation that has been discussed, this research finally concluded firstly the Understanding of Economics & Business students on *halāl* Products in general reached about 81.63% students who have very good understanding. So it is generally said that the majority of Economics & Business students already have a comprehending understanding in understanding *halāl* Food Products. Of course, Islamic and Muhammadiyah learning subjects that have been obtained by students, just play a role in understanding *halāl* food in Islam. Secondly, students

who have understood *halāl* Products in general and *halāl* MUI Labeling is about 69.3% which demonstrates a big influence in determining their purchasing power for selecting products. This means that the majority of Economics & Business students who understand these two things make MUI *halāl* labeling as one of the factors determining their purchasing decisions on a food product that they consume.

Departing from the conclusions that have been obtained, this research wants to give some recommendations. At first, to cultivate a high sense of concern for students about the importance of *halāl* food products, it is necessary to increase the knowledge of Islam in lecturing course, so that students of Universitas Muhammadiyah Surakarta would be a benchmark as a student who cares about the existence of *halāl* products in Indonesia. In addition it is also a form of concern Universitas Muhammadiyah Surakarta to the community, so that students are prepared to be a pioneer in the community. At second, to achieve the objectives of MUI, in order to preserve all consumers, especially Muslim consumers from all substances that are harmful and containing illicit materials, in this case the media plays an important role such as newspapers, TV, Magazines, Radio and Internet as a mediator to inform the community, especially students of the Universitas Muhammadiyah Surakarta, so they became aware of the existence of the Indonesian Ulema Council (MUI) as well as the *halāl* Labeling issued on the existing food products in the community.

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