The influence of halal awareness and halal certificate on purchase intention through brand image

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ABSTRACT: The aim of this study was to determine the direct effect of halal awareness, halal certificates, and brand image on consumer purchase intention. This research used an explanatory design, which distributed questionnaires by using a purposive sampling method and obtained 152 responses from students in Malang, East Java, Indonesia. The findings indicate that halal awareness, halal certificates, and brand image influence consumer purchase intentions. Furthermore, halal awareness has also been shown to have an indirect effect on buying interest through a brand image. The conclusion of this study is beneficial for halal product marketers as a reference to pay more attention to the importance of the existence of halal certificates in marketing products.

Keywords: halal awareness, halal certificate, purchase interest, and brand image

1 INTRODUCTION

Population growth and increasing salary in Muslim-majority countries reveal a growing demand for halal products globally (Endah 2014). The potential demand in the market is estimated at \$2.3 trillion globally (World Halal Forum 2013), and in 2019 is expected to increase to \$3.7 trillion. The need for halal products comes from consumers of all religious backgrounds. It motivates several different nations such as Indonesia, Japan, Malaysia, and Thailand, who are competing to become centers of halal products (Global Pathfinder Report 2011).

Muslims are the majority population in Indonesia. It made people aware of halal products. It means consumers have enough halal knowledge in finding and consuming halal products under Islamic law. The awareness of halal has a big influence on the interest in purchasing halal products (Aziz & Chok 2013) because Muslims believe that consuming halal food and products is healthy, a blessing and an obligation for Muslims. The word halal comes from Arabic, which means permissible based on Islamic law (Issa Z 2009; Borzooei & Asgari 2013). Halal items have been claimed halal in accordance with Islamic law, which has conditions for the provision of materials, processing, storage, packaging, distribution, sale, and presentation of halal products (Hidayat & Resticha 2019). The command to eat halal food, drinks and items has been declared in the word of Allah SWT, as in *QS. Al Baqarah: 168*, *QS. Al Maidah: 88*, *QS. An Nahl: 114*. In Indonesia, to ensure the halal-ness of a product, there is an agency that exists to certify products as halal. This agency issues a halal certificate as a guarantor of the halal-ness of a product; as proof that the food or product is free from prohibited elements.

The increase in halal awareness in Indonesia has prompted the government to prepare a law regarding the halal assurance of a product (Sucipto 2009). The law, No. 33 of 2014 about the Guarantee of Halal Products, must also be proactive in strengthening the basis for cooperation and development of halal diplomacy, both at the national and global levels. This cooperation is strengthened, among others, with related ministries and institutions, as well as the Halal Inspection Agency (LPH) and the Indonesian Ulema Council (MUI). The purpose of the MUI Halal

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Certification, according to LPPOM MUI, is to provide certainty about the status of halal-ness, to reassure consumers. Companies wishing to obtain an MUI halal certificate (those in the processing industry, catering, slaughterhouses, and restaurants) must register and meet the requirements for halal certification.

Halal awareness is one of the factors that can have an impact on buying interest. In a study conducted by Widyaningrum (2019), halal awareness has a positive and important impact on consumer purchase intentions. The outcome of this research was also proved by Izzuddin (2018). It stated that halal awareness affects purchase intention. Other results proved that every individual who has halal awareness has a significant positive effect and tends to increase his buying interest (Aziz & Chok 2013; Nurcahyo & Hudrasyah 2017; Faturrohman 2019; Fitria et al. 2019). Products that have a halal certificate have guaranteed safety and halal-ness. The existence of this halal certificate and label also makes consumers interested in these products. Aziz and Chok (2013) found that the presence of a halal certificate in a product has a significant positive effect on purchase intention. Other studies also supported the result, and they said that products that have a halal certificate have a significant positive impact and increase consumer purchase intention (Majid et al. 2015; Nurcahyo & Hudrasyah 2017; Nugraha et al. 2017; Sumartik et al. 2019; Widyaningrum 2019; Faturrohman 2019).

2 LITERATURE REVIEW

2.1 *The effect of halal awareness on brand image*

Halal awareness is the level of understanding of Muslims in knowing issues connected to the concept of halal. This understanding includes a perception of halal products and how they were prepared under Islamic halal standards (Shaari & Arifin 2010; Ahmad et al. 2013). In addition, halal awareness can be seen as a process of getting information to extend the level of awareness about what Muslims can consume (Ambali & Bakar 2014). Research conducted by Izzuddin (2018) stated that halal awareness and food ingredients influenced purchase intention.

H1. Halal awareness has a significant positive influence on brand image.

2.2 *The influence of halal certificate on brand image*

The guarantee of the halal-ness of a product based on Islamic law is indicated by a halal certificate and a halal logo (Janah 2018). Products that have passed the halal test by MUI are permitted for consumption. Products that have a halal certificate are guaranteed in their safety and halal-ness. The existence of this halal certificate and label also makes consumers interested in these items. Aziz and Chok's (2013) study stated that a product's halal certificate has a positive impact on brand image.

H2. The halal certificate has a significant positive effect on brand image.

2.3 *The effect of halal awareness on purchase intention*

Halal awareness includes knowledge about halal products and how their preparing process is suitable under Islamic halal standards (Shaari & Arifin 2010; Ahmad et al. 2013). Consumers need proper information about halal and haram products like food, beverages, medicines, cosmetics and other various types of consumer goods (Abdul-Talib & Abd-Razak 2013). Research conducted by Izzuddin (2018) and Fitria et al. (2019) revealed that halal awareness influences buying interest.

H3. Halal awareness has a significant positive effect on purchase intention

2.4 *The effect of halal certificates on purchase intention*

The guarantee of the halal-ness of a product based on Islamic law is indicated by a halal certificate and a halal logo (Janah 2018). Research conducted by Nurcahyo and Hudrasyah (2017) stated that there is a relationship between halal certification and purchase intention. The study concludes

that a certificate of halal affects purchase intention. Another study done by Aziz and Chok (2013) also showed that the awareness of and certification of halal products was an important factor in increasing the trade of halal products in other religious communities.

H4. There is a significant positive effect of a halal certificate on purchase intention.

2.5 *The influence of brand image on purchase intention*

Brand image is an illustration of the overall understanding of a brand, which is shaped by information and experiences relate to it. The brand's image is connected to attitudes in the form of beliefs and references to a brand. Consumers who have a good opinion of a brand were likely to purchase (Setiadi 2007). This theory is supported by some studies (Dianita & Arifin 2018), it stated that the image of the brand influences the items likelihood of purchase. It is also mentioned by Hermanto (2019) that brand image is the most dominant influence variable on consumer purchase intention in Xiaomi Smartphone products.

H5. Brand image has a significant positive effect on purchase intention.

2.6 *The impact of halal awareness on purchase intention through brand image*

Halal awareness is the level of consumer understanding to seek and use halal products under Islamic law (Shaari & Arifin 2010). For that reason, halal awareness can be perceived as the process of getting information about items that one can consume (Ambali & Bakar 2014). Research conducted by Izzuddin (2018) stated that halal awareness influences purchase intention.

H6. Halal awareness has a positive and significant effect on buying interest through brand image.

2.7 *The effect of halal certificates on purchase intention through brand image*

To ensure the halal-ness of a product in Indonesia LPPOM MUI issues a halal certificate that proves that the food or products are free from prohibited elements. A study by Nurcahyo and Hudrasyah (2017) unveiled that halal awareness influences buying interest in instant noodles in Bandung.

H7. The halal certificate has a significant positive effect on buying interest through brand image.

Figure 1. Conceptual framework.

3 METHODS

A total of 152 students who have interest in buying toiletry products in Malang City were requested to fill out an online questionnaire, which is adopted and developed from previous studies. It had previously been tested for reliability and validity. All statements were measured on a 5-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). Path Analysis was used to analyze the data.

4 RESULTS

The findings suggest that most consumers who have an interest in buying halal toiletries are aged between 20-22 years, with a total of 105 respondents (69.1%). Meanwhile, based on gender, most of the respondents were 111 women (73%).

Path analysis showed modeled coefficient 1, the beta value of the Halal Awareness (X1) variable on Brand Image (Z) was 0.211 with a significance of 0.010 and the Certification (X2) variable on Brand Image (Z) was 0.427 with a significance of 0.000. Thus, the equation model in the path analysis can be observed, namely: equation model 1, the causal effect between the Halal Awareness (X1) and Halal Certification (X2) variables on Brand Image (Z) can be described by the following equation (1).

$$Z = \beta_1 X_1 + \beta_2 X_2 + e \quad \text{or} \quad Z = 0.211X_1 + 0.427X_2 + e \quad (1)$$

Path analysis model summary 1: the R Square value was 0.325. It indicated the influence of Halal

Awareness (X1) and Halal Certification (X2) on Brand Image (Z) is 32.5%, while the remaining 67.5% is a contribution from other variables that cannot be explained because it is not included in the scope of this study.

Referring to the results of the path analysis model coefficient 2, the beta value of the Halal Awareness (X1) variable on Buying Interest (Y) is 0.165 with a significance level of 0.015, the beta value of the Halal Certification variable (X2) on a Purchase Intention (Y) of 0.189 with a significance value of 0.009, and the beta value of the Brand Image (Z) variable on Purchase Intention (Y) of 0.522 with a significance value of 0.000. Path analysis model summary 2 result, the R Square value is 0.553. This shows that the variable Halal Awareness (X1), Halal Certification (X2), and Brand Image (Z) has a contribution of 0.553 or 55.3% to the Purchase Intention (Y) variable, while the remaining 44.7% is the contribution of the variable. Others cannot be explained because they are not included in the variables used in this study. Thus, the equation model in path analysis includes equation model 2, the causal effect between the variables of Halal Awareness (X1), Halal Certification (X2), and Brand Image (Z) on Purchase Intention (Y) described as the following equation (2).

$$Y = \beta_3 X_1 + \beta_4 X_2 + \beta_5 Z + e \quad \text{or} \quad Y = 0.165X_1 + 0.189X_2 + 0.522Z + e \quad (2)$$

Table 1. Path analysis result.

No	The influence of variable	Causal influence	
		Direct	Indirect
1	X1 To Z	0.211	
2	X2 To Z	0.427	
4	X1 To Y	0.165	
5	X2 To Y	0.189	
7	Z To Y	0.522	
8	X1 To Y Through Z		0.110
9	X2 To Y Through Z		0.222

* Note the influence of:

1) X1 to Y through Z: $\beta_1 \times \beta_5 = 0.211 \times 0.522 = 0.110$

2) X2 to Y through Z: $\beta_2 \times \beta_5 = 0.427 \times 0.522 = 0.222$

It can be concluded that first, Halal Awareness (X1) and Halal Certification (X2) affect Brand Image (Z). Second, Halal Awareness (X1) and Halal Certification (X2) affect Purchase Intention (Y). Third, Brand Image (Z) affects the Halal Certification (Y). Fourth, Halal Awareness (X1) and Halal Certification (X2) affect Purchase Intention (Y) through Brand Image (Z).

Based on the T-test result the Halal Awareness variable has a t value of 2.625 with a significance value of 0.010 and the variable Halal Certificate has a t value of 5.310 with a significant value of 0.000. it means that the two variables have a significant value smaller than 0.05, which is the standard significance of the t test. This indicated that the two independent variables have a positive influence, it can be concluded that Halal Awareness and Halal Certificate have a significant effect on a positive coefficient on Brand Image. Thus, Halal Awareness (X1) and Halal Certification (X2) has a direct effect on Brand Image (Z). Furthermore, Halal Awareness (X1) and Halal Certification (X2) and Brand Image (Z) on Purchase Intention (Y) count of 2.635 with a significance value of 0.009, and the variable Brand Image (Z) have a value of t count of 7.807 with a significance value of 0.000. This shows that the three independent variables have a positive influence. It can be concluded that halal awareness (X1), Halal Certification (X2), and Brand Image (Z) have a significant effect on the direction of the positive coefficient on Purchase Intention (Y).

Regarding the Sobel test, it can be concluded that the relationship between Halal Awareness (X1) and Purchase Intention (Y) through the Brand Image (Z) showed a two-tailed probability of $0.01287195 < 0.05$. From these results, it can be said that the variable Brand Image (Z) can mediate the relationship between the Halal Awareness (X1) variable on the Purchase Intention (Y) variable, for Halal Certification (X2) on Purchase Intention (Y) through Brand Image (Z). As a calculation, the relationship between the Halal Certification (X2) and the Purchase Intention (Y) through the Brand Image (Z) showed a two-tailed probability of $0.00001279 < 0.05$, this means that Brand Image (Z) can mediate between the Halal Certification (X2) and Purchase Intention (Y).

5 DISCUSSION

A significant relationship between halal awareness, the certification of halal, brand image, and purchase intention were revealed by Aziz and Chok (2013). In this study, respondents gave their respective assessments of the halal certificate. Most consumers prefer to consume halal products and avoided non-halal products. Meanwhile, the guarantee of security for Muslims to use safe products was a halal certificate from the MUI. Thus, consumers will always consider the existence of a halal logo on the product to be purchased.

The image of brands is related to attitudes in beliefs and references to certain brands (Dianita & Arifin 2018). The data obtained is known that respondents have a good assessment regarding the quality, history, and performance of the toiletry's product with the halal logo. Based on the analysis that has been presented, the respondents gave their respective assessments related to trends, recommendations, and purchase intentions. In contrast, most respondents agreed to buy and recommend halal toiletries to others.

Halal awareness can be perceived as a process of getting information to increase understanding of what Muslims can consume (Ambali & Bakar 2014). It can be defined as how much consumers were aware of or understand halal itself, and also their understanding of what brand they will choose. It can be interpreted that halal awareness is almost the same as brand awareness. Based on the same halal awareness and brand awareness, halal awareness is the level of consumer understanding regarding the concept of halal itself and brand awareness is the consumer understanding of the brand image. Apart from Halal Awareness, consumers also consider the brand image of a product. This is because a company's brand image can influence long-term profits, encourage consumers' desire to buy products at affordable prices, increase the selling price of shares, competitive advantages and marketing success (Yoo & Donthu 2001).

According to Setiadi (2003), consumers who have a positive image of a brand were more likely to make purchases. As a result, brand image can influence consumer purchase intention. As proved by Haryoko and Ali (2018), the brand image has a positive and significant effect on purchase intention. With a halal logo on a product, it can be indicated that the product is under halal standards, which also affects the image of a product. This research is in line with the previous study by Wanda (2019) who stated that the halal label and product quality affect the brand image.

6 CONCLUSION

In conclusion, this study proved that there is an impact of halal awareness and certificate halal on brand image and purchase intention. Consequently, the findings of this study are important for marketers of halal products in Indonesia and other nations. Marketers will influence and increase customer buying interest by enhancing marketing efforts by putting more attention to these three factors: halal awareness, the halal logo in the product and the brand image. Besides that, the results of this study can be used as a reference for further research because the variables used in this study have been proven to influence each other. Therefore, it is hoped that further research considers other variables to obtain a more varied result and enrich the existing theory.

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