The Effect of Religiosity on the Purchasing Decisions of Halal Labeled Food Products

Sri Setyo Iriani
Faculty of Economy, Department of Management Universitas Negeri Surabaya, Indonesia

*Corresponding Author
Sri Setyo Iriani

Abstract: The food and beverage industry in Indonesia is growing rapidly at this time. It is not so surprising when food and beverages sector becomes one of the biggest contributors to GDP in Indonesia. In the midst of the development of food and beverages, awareness of halal products has become a trend in society and makes industry players compete to get halal certification for their products. However, in fact, many Muslim consumers do not pay much attention to the halal product as evidenced by the presence of halal labels on product packaging. This study aims to analyze and discuss the effect of religiosity on the purchasing decisions of halal labeled food products. The type of this study is quantitative research with conclusive-descriptive research design. The population of this study is Surabaya community who ever purchase and consume halal labeled foods. The sampling technique uses non-probability sampling with the sample size of 210 respondents. Questionnaires are distributed as the instrument of this study, while the data analysis is done using simple linear regression analysis. The result of this study shows that religiosity has an effect toward the purchasing decisions of halal labeled food products, but the effect is very small. This is caused by the social environment where consumers live, the limited halal labels on the packaging of household industrial food products, to the tendency of customers to prioritize the existence of a halal labels only for foreign products. The limitation of this study is the religiosity test is only focus on Muslim consumers. For further research, it is expected to be able to test religiosity of various religions, not only Islam.

Keywords: Religiosity, Purchasing Decisions.
issues related to halal products become relevant and included as one of the concerns in the middle of many global products which come to Indonesia. This encourages both local and global business actors to get halal certification from the Indonesian Cleric Council (MUI) for their products. This can be seen from the number of fast food outlets and imported food products that are trying to get halal certificates from MUI (Sasongko, 2018).

The data from Global Islamic Economy (2018/2019) shows that Indonesia is in the first position of 10 countries with the largest amount of halal food expenditure in the world. The spending on Indonesian halal food in 2018 reached up to 170 billion US dollars. This number is followed by Turkey, Pakistan, Egypt, Bangladesh, Iran, Saudi Arabia, Nigeria, Russia, and India. Even so, halal industry climate in Indonesia is still not optimal and still lagging behind when compared to United Arab Emirates, Malaysia, Brazil, Oman, Jordan, Australia, Brunei Darussalam, Pakistan, Sudan, and Qatar which are belong to the top 10 countries with the best halal food industry climate in the world (Setiawan, 2018).

Based on the study conducted in 2018 by the Center for Research and Development of the Religious Guidance and Religious Services; which is a part of the Research and Development Agency of the Ministry of Religion of the Republic of Indonesia, related to the intensity of the Indonesian Muslim community in using halal goods which is carried out to 1.200 respondents, the results showed that 70.1% (843 respondents) has medium intention to buy; 15.9% (191 respondents) has high intention to buy; and the rest 14% (168 respondents) has low intention to buy halal products (Setiawan, 2019). This means that the halal of a product does not become a full consideration for consumers when deciding to buy and consume the product. Muslim communities who really consider halal products tend to be smaller. This contradicts the theory put forward by Sumarwan (2015), in which Muslim community should be inclined to choose halal foods which have received halal labels from the authorities, which in this case, is MUI. In fact, there are many other factors that affect society more when they are buying or consuming a product.

Social environment also has an impact on consumers in purchasing halal products. The intention to buy halal products with the largest average was found in Bali, where the majority of the population is non-Muslim. Whereas, South Kalimantan that are mostly dominated by Muslim community have more halal food with the perception that the food served in the community with Muslim majority are guaranteed to be halal (Setiawan, 2019). This means that Muslim communities that become minority in an area will prioritize the aspect of religiosity in buying halal products. They will be more careful when buying products to avoid products that are not halal. Whereas, consumers who live in Muslim majority environment will tend to be more calm and reduce their suspicion of the products that they buy.

B. Research Purpose
Based on the phenomena that have been described, this study aims to:
- Analyze and discuss the effect of religiosity toward the purchasing decision of halal labeled food products.

C. Literature Review
1) Theoretical Review
a. Religiosity

Religion is a factor of individual differences that influence consumer behavior (Sumarwan, 2015). Peek (2005) (in Wilkins, 2019) stated that religion is one of the most powerful identities in a person, because religion and religious institutions offer social, economic, and psychological benefits as well as meeting spiritual needs. Greenberg et al., (1997) in Wilkins (2019) also stated that religion is a key system that helps individuals to deal with existential anxiety and understand existence. Therefore, it is not surprising if religion becomes a very important thing that is able to influence individuals in their behavior, especially when deciding to buy products they would consume.

The religious sense in a person is known as religiosity. One of the definitions of religiosity was stated by Johnson et al. (2001) who described religiosity as the level of individual commitment to religion and teachings in it, including set it as a benchmark in attitude and behavior.

Several findings suggest that purchasing decisions made by consumers can be influenced by consumer religiosity. Jamal (2003) in Said et al. (2013) stated that religiosity commitment plays an important role in the lives of people through the formation of beliefs, knowledge, and attitudes, regardless of their religious orientation (Muslims, Christians, Buddhists, and others). This commitment and trust then influences people’s feelings toward consumption (Jamal, 2003). Delener (1990) and Dibb (2004, in Nasrullah, 2015) mentioned one of the important driving factors that influence consumer behavior is the religiosity in these consumers. In behaving, consumers who have a high level of religiosity tend to be less impulsive, and they also behave in a more mature, disciplined, and responsible manner (Alam et al., 2011).

This is in line with the results of the study from Muhammad et al. (2017) bthat the country of origin of the halal logo plays a significant role in consumer decision making. Consumers will use the information about the country of origin to assess the credibility of the logo in providing halal food standard.

© East African Scholars Publisher, Kenya
From the previous studies, several indicators can be used to measure a person’s religiosity. Astogini (2011) and Nasrullah (2015) use the dimension of religiosity from Glock and Stark as its indicator, namely: the dimension of belief, the dimension of practice, the dimension of experience, the dimension of religious knowledge, and the dimension of consequences. Muhamad, et al. (2017) used religious value, religious beliefs, and ritual as the indicator of religiosity. Therefore, this study uses the indicator of religious value, religious beliefs, and rituals with statement items that have been adjusted.

b. Purchasing Decision
The final goal of consumer behavior is when someone decides to buy or not buy a product which is then referred to as purchasing decision. Purchasing decision is the choice of an action of two or more alternatives (Sciffman dan Kanuk, 2010). Thus, it can be said that purchasing decision is an action chosen by consumers to choose an item from various alternatives that exist in accordance with their needs.

The process of purchasing decision consists of five stages (Kotler dan Keller, 2009), namely: (1) problem recognition, in which a person is aware of his needs and it causes an encouragement to meet those needs; (2) information retrieval, either utilizing the information stored in memory (internal search) or obtaining relevant information from outside the memory; (3) alternative evaluation, i.e. choosing the most favorable choice from the various options that are available by considering attributes such as price, brand name, and country of origin; (4) purchasing decisions, in which consumers form a comparison between brands from various choices available at the evaluation stage as well as deciding to buy the brand that is most preferred or most appropriate to meet their needs, and is the most profitable; and (5) post-purchase behavior. Every consumer who make a purchase decision for products and services will go through these five stages.

2) Relationship between Religiosity and Purchasing Decision
In choosing food products, consumers tend to choose foods that have received halal label from MUI (Sumarwan, 2015). The results of the study from Alam, et al. (2001) showed that consumers who have high religiosity tend to be less impulsive, behave in a more mature, disciplined, and responsible manner. Bonne, et al. (2008) stated that a person’s religion affects the decision to buy halal meat. The results of his study stated that in general, a positive health attitude toward halal meat encouraged the intention to consume halal meat among Muslims. However, there are some differences relating to Muslims who have high religiosity and Muslims who have low religiosity in deciding to consume halal meat. Muslims who are highly religious tend to consume halal meat because they realize that halal meat is healthier. On the other hand, Muslims with low religiosity are influenced by their fellow religionists, personal health attitudes, and availability issues. Abdul, et al. (2009) stated that there is a significant relationship between consumer religion and their perception toward halal logo and materials. Muslim consumers who care about halal logo also care about the ingredients used, in contrast to other religious consumers who tend to pay more attention to the content in food than the halal logo. Said, et al. (2013) also stated that religiosity influences the decision to purchase halal food, although the level of religiosity of each person is different.

Nasution, et al. (2016) stated that consumer religiosity has an influence in the purchasing decision of halal foods. Muslim consumers will seek information in advance about the halal food they consume before they make a purchasing decision. Muhamad, et al. (2017) stated that the country of origin of the halal logo plays a significant role in the consumer decision making. Consumers will use the information about the country of origin of the halal logo to assess the credibility of the logo in providing halal food standard.

Muslichah, et al. (2019) stated that religiosity affects consumer purchasing behavior. The more religious a person is, the more he will pay attention to the halal nature of the products, and the more he likes to purchase halal food. In addition, religiosity as moderation variable influences the relationship between the awareness of halal labels and consumer purchasing decisions.

Walkins, et al. (2019) who conducted a study related to the acceptance of halal food in non-Muslim countries stated that religious identity has a positive relationship toward the product assessment conducted by consumers. A non-Muslim person with a stronger level of religiosity is slightly more likely to judge halal food positively. This shows that religious people tend to prefer religious products, even when these products are not targeted at their own beliefs.

However, it is different with the result of the study conducted by Astogini, et al. (2011) who stated that religiosity aspect does not have any influence toward the purchasing decision of halal products. When consumers purchase a product and it turns out that the product does not have a halal label on the packaging, some respondents will still consume the product. This is based on, among others, some small food products, especially those that are produced by home industry which rarely include a halal label on the packaging.

Consumers tend to pay more attention to the presence of halal labels for foreign-made products due to consumers’ lack of confidence about the halal status of the raw materials used. Likewise, the results of the research from Nasrullah (2015) stated that religiosity as moderating variable weakens the relationship between

© East African Scholars Publisher, Kenya 623
Islamic branding and consumer decision. Based on the explanation, the hypothesis proposed in this study is:

H1: There is an effect of religiosity toward the purchasing decision of halal labeled food products.

2. RESEARCH METHOD
A. Research Type and Research Design
The type of the research used in this study is descriptive conclusive research design that aims to test the hypothesis and test the specific relationship. As for the research design used in this study is shown in the figure below:

![Figure 1. Research Design](image)

B. Population and Sample
The population of this study is the people in Surabaya who ever bought domestic food products with halal label. The sample used in this study is amounted to 210 people which are selected using non-probability sampling method.

C. Variable and Operational Definition of Variable
The variables used in this study are explained as follows:

1) Independent Variable
a. Religiosity (X)
   In this study, religiosity is defined as the commitment of consumers in applying Islamic teachings to purchase and consume halal labeled foods with the indicators based on the studies from Alam, et al. (2011), Nasrullah (2015), and Muhamad, et al. (2017) as follows:

   1. Religious Value (X₁₁)
      The extent to which Islamic teachings have value for someone, especially when deciding to buy halal labeled food.
      - Islamic teachings are important to me. (X₁₁₁)
      - Guidance of Islam religion influences me when I decided to purchase halal labeled food products. (X₁₁₂)

   2. Religious Beliefs (X₁₂)
      A person’s belief in the truth of Islamic teachings in purchasing halal labeled food.
      - I believe the Islamic teachings about purchasing halal food. (X₁₂₁)
      - I feel comfortable when I follow the Islamic teachings in making decisions to buy halal labeled food. (X₁₂₂)
      - I feel calm when I choose to buy halal labeled food. (X₁₂₃)
      - I feel safe when I follow the Islamic teachings in making decisions to purchase halal labeled food. (X₁₂₄)

3) Ritualistic (X₁₃)
   An action taken by someone as a form of commitment and obedience to the Islamic teachings, especially when deciding to purchase halal labeled food.
   - I do Fardhu prayer every day. (X₁₃₁)
   - I do fasting during Ramadhan. (X₁₃₂)
   - I pay Zakat. (X₁₃₃)
   - I read the Qur’an every day. (X₁₃₄)
   - I check the halal label on the package before purchasing a food product. (X₁₃₅)
   - I ensure the halal of food product by checking the composition of raw materials on the packaging before buying. (X₁₃₆)

2) Dependent Variable
a. Purchasing Decision (Y)
   The dependent variable in this study is a series of stages that consumers go through when deciding to purchase halal labeled food products with the following indicators:

1) Needs (Y₁₁)
   An encouragement in a person to meet their needs, especially regarding halal labeled food products.
   - I am aware of the need to consume halal labeled food products. (Y₁₁₁)
   - I need a halal label to understand about halal products. (Y₁₁₂)

2) Information Search (Y₁₂)
   An action taken by someone to get information related to food products that they will purchase.
   - I always look for halal labels on packaging before I purchase food product. (Y₁₂₁)
   - I read the ingredients on the packaging to find out the halal status of the raw material if the packaging has no halal label. (Y₁₂₂)
   - I ask other people to get information about the halal of the food products that I will purchase. (Y₁₂₃)
3) **Alternative Evaluation** \((Y_{1.3})\)

An action to choose the best alternative before deciding to purchase halal labeled product.
- Price influences the quality of packaged food products. \((Y_{1.3.1})\)
- I always see the price of the item before making a purchase. \((Y_{1.3.2})\)

4) **Purchase** \((Y_{1.4})\)

The decision of consumers to purchase food products, especially halal labeled product.
- I purchase a packaged food product with halal label. \((Y_{1.4.1})\)
- I will not consume products which halal status is not clear yet. \((Y_{1.4.2})\)

5) **Post-Purchase Behavior** \((Y_{1.5})\)

Consumers’ follow up after purchasing halal labeled food products.
- I feel satisfied when consuming halal labeled products. \((Y_{1.5.1})\)
- I will re-consume halal labeled food products. \((Y_{1.5.2})\)
- I will not re-consume products that apparently do not have a halal label. \((Y_{1.5.3})\)

D. **Types and Sources of Data**

Data is obtained from primary sources in the form of questionnaire filled out by respondents, while secondary data is obtained from books, journals, or previous research and articles relating to religiosity and purchasing decisions.

E. **Data Collection Techniques**

The data is collected by providing a research questionnaire which contains structured statements to be filled out by respondents. This study uses Likert Scale with 5 levels of answers ranging from ‘strongly disagree’ (1) to strongly agree (5).

F. **Validity and Reliability Test**

The validity test conducted on 30 respondents showed the r-count value for all items are greater than the r-table (0.361). Thus, the statements used in this research instrument are valid and can be used to measure the effect of religiosity on the purchasing decision of halal labeled food products.

The Cronbach’s Alpha value of Religiosity variable obtained a result of 0.826 > 0.70 and the Purchasing Decision variable obtained a result of 0.922 > 0.70. Therefore, it can be concluded that the statement in the questionnaire is reliable and it can be used as a measurement tool.

G. **Data Analysis Technique**

The data analysis technique is done using Simple Linear Regression. The regression equation used in this study is written as follows: \(Y = a + bX\)

Information:
- \(Y\) = Purchasing Decision
- \(a\) = Constanta
- \(X\) = Religiosity

3. **RESULTS AND DISCUSSION**

A. **Respondents’ Demographic Descriptive Characteristics**

In this study, respondents’ characteristics are defined through several factors, namely: gender, age, job, and participation in religious organization.

<table>
<thead>
<tr>
<th>Respondents’ Characteristic</th>
<th>Number</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>72</td>
<td>34.3%</td>
</tr>
<tr>
<td>Female</td>
<td>138</td>
<td>65.7%</td>
</tr>
<tr>
<td>Total</td>
<td>210</td>
<td>100%</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16-22 years old</td>
<td>141</td>
<td>67.1%</td>
</tr>
<tr>
<td>23-29 years old</td>
<td>54</td>
<td>25.7%</td>
</tr>
<tr>
<td>30-36 years old</td>
<td>10</td>
<td>4.8%</td>
</tr>
<tr>
<td>37-43 years old</td>
<td>3</td>
<td>1.4%</td>
</tr>
<tr>
<td>44-50 years old</td>
<td>1</td>
<td>0.5%</td>
</tr>
<tr>
<td>51-55 years old</td>
<td>1</td>
<td>0.5%</td>
</tr>
<tr>
<td>Total</td>
<td>210</td>
<td>100%</td>
</tr>
<tr>
<td>Job</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Civil Servants</td>
<td>2</td>
<td>1.0%</td>
</tr>
<tr>
<td>Private Employees</td>
<td>33</td>
<td>15.7%</td>
</tr>
<tr>
<td>Students</td>
<td>151</td>
<td>71.9%</td>
</tr>
<tr>
<td>Housewife</td>
<td>14</td>
<td>6.7%</td>
</tr>
<tr>
<td>Entrepreneurs</td>
<td>10</td>
<td>4.8%</td>
</tr>
<tr>
<td>Others:</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>210</td>
<td>100.0%</td>
</tr>
<tr>
<td>Participation in Religious Organization</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>70</td>
<td>33.3%</td>
</tr>
<tr>
<td>No</td>
<td>140</td>
<td>66.7%</td>
</tr>
<tr>
<td>Total</td>
<td>210</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: Processed Data, 2019
From the table above, the characteristics of respondents by gender are dominated by female respondents, which are 138 respondents. Based on the age range, it is dominated by respondents in 16-22 years old, which are as many as 141 respondents. Based on the job, it is dominated by students for as many as 151 respondents. Based on following religious organization, it is dominated by respondents who did not follow the organizations which are as many as 140 respondents.

B. Model Feasibility Test

The test for the effect of religiosity toward purchasing decision of halal labeled food products resulted in $R$ (correlation) and $R^2$ (coefficient of determination) as follows:

<table>
<thead>
<tr>
<th>Model Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), Religiosity
Source: Processed Data by, 2019

From the result of the model testing above, it can be seen that the Adjusted R-Square value is 0.035 or equal to 3.5%. This means that the effect of independent variable, namely Religiosity ($X$) toward dependent variable, namely Purchasing Decision of halal labeled food products ($Y$) is only 3.5%. The remaining 96.55 is influenced by other variables outside the variables examined in this study. This also means that Religiosity has a very little effect on consumers when deciding to buy halal labeled food products.

C. Hypothesis Test

The hypothesis in this study is tested using Simple Linear Regression test because it is only used to test one independent variable on one dependent variable. The result obtained from this test is shown as follows:

<table>
<thead>
<tr>
<th>Coefficients*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>Religiosity</td>
</tr>
</tbody>
</table>

*a. Dependent Variable: Purchasing Decision

From the table above, it is obtained the equation model of simple linear regression as follows: $Y = 14,123 + 0,352X$

Information:
14,123= Constanta
$Y=$ Purchasing Decision
$X=$ Religiosity

Based on the regression equation that is obtained, it is known that the decision to purchase halal food by consumers is influenced by religiosity. The Constanta number of 14.123 means that although religiosity ($X$) does not become a consideration when deciding to purchase halal labeled food products, the purchasing decision will still occur. Furthermore, when religiosity increases by one unit, the level of consumers to make a decision to purchase halal labeled food will also increase by 0.352 units.

In addition, the equation above also shows the t-count value for the religiosity variable of 2.919 with a significance value of 0.004 < 0.05. Therefore, it can be concluded that $H_0$ is rejected and $H_1$ is accepted; which means that Religiosity ($X$) variable has an effect on the Purchasing Decision of Halal Labeled Food ($Y$).

D. Discussion Of Hypothesis Test Results

From the result of the study that has been analyzed using simple regression analysis, it is obtained the results which showed that Religiosity ($X$) has an effect on the Purchasing Decision of Halal Labeled Food Products ($Y$). This result proves that the hypothesis “there is an effect of Religiosity toward the Purchasing Decision of Halal Food Products” is true. This statistical result also explains the phenomenon of the awareness to consume halal-labeled products is becoming a trend in Indonesian society that is dominated by Muslims. The community is aware of the importance of consuming food that has received the halal title as evidenced by the existence of halal labels on the packaging in accordance with Islamic teachings. This proves that religiosity or commitment as Muslims to adhere to Islamic teachings is inherent in the community.
The result of this study is in accordance with the theory stated by Sumberwanto (2015) about religious teachings will influence the attitudes, motivations, perceptions, and behavior of consumers in consuming goods and services. The result of this study is also in line with the research findings from Alam, et al. (2001), Abdul, et al. (2009), Said, et al. (2013), Nasution, et al. (2016), Muhamad, et al. (2017), and Muslichah, et al. (2019) who stated that religiosity affects consumers in purchasing products, and contradicts the research findings from Astogini, et al. (2011) and Nasrullah (2015) who stated that religiosity does not affect purchasing decisions. Thus, it can be concluded that the higher a person’s religiosity, the higher the decision to purchase halal labeled food.

Even though religiosity affects consumers in making decisions to purchase halal labeled food products, the statistical results show that the effect of religiosity is very small at only 0.035 or 3.5%. This means that even though in making decisions consumers still consider a commitment to obey the religious guidance to purchase halal products as proven by the presence of halal labels on the packaging, in reality there are only a few consumers who actually apply this. This is in accordance with the research result from Astogini, et al. (2011) who stated that when consumers purchase a product that turns out does not include/have a halal label on the packaging, some respondents will still continue to consume the product. This is also written in the article wrote by Setiawan (2019) which stated that a Muslim who lives in a predominantly Muslim environment will purchase halal food with the perception that the food served among the Muslim majority is guaranteed to be halal. This will be inversely proportional when a Muslim lives in an environment with non-Muslim majority. They will tend to be more careful in purchasing products that they will consume and make sure that the products are truly halal and do not contain illicit substances (Setiawan, 2019). Another reason that someone still consumes the product he has bought although it does not include halal label is because some small food products, especially those produced by home industry, rarely include the halal label in its packaging. Consumers pay more attention to the presence or absence of halal labels for foreign-made products due to consumers’ lack of confidence in the halal status of raw material that is used in the making. Muhamad et al. (2017) added that the country from which the halal logo originates plays a significant role in consumer decision making. Consumers will tend to trust the halal logo from countries that can convince them that the country has good credibility related to the halal status of its products.

When it is associated to the respondents’ characteristics, the highest religiosity is dominated by female respondents in 16-22 years old who are also students in high school or college. Based on the dominance of the respondents’ characteristics, the low influence of religiosity toward the purchasing decision of halal labeled food products can be caused by consumers who tend to consider more variants of taste, price, and even the desire to try products without too much considering the existence of a halal label or not on the packaging.

4. CONCLUSION

The conclusion that can be drawn from the results of this study is that religiosity affects the decision to purchase halal labeled food products, with a very small effect. This is influenced by several things, including the social environments where consumers live (majority or minority), the number of products that still not yet have a halal label especially food products from home industry, consumers tend to start to consider the importance of the halal label on the packaging when faced with products from foreign countries, and other factors.

This study is only limited to respondents who are Muslim with food product objects, so that further researchers are expected to be able to further develop research related to the effect of consumer religiosity from other religions besides Islam with more varied research objects.

REFERENCES


