Determinants of Indonesian Muslim consumers' willingness to pay for Taiwanese snacks: The role of the Halal logo

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ARTICLE INFO	ABSTRACT
	Indonesia is a country that has enormous market potential in terms of the halal food industry. The government has been attracting foreign food manufacturers to venture into the country's market; this includes snacks from Taiwan, one of them being Shihlin Taiwan Street Snacks. The public has been highly critical of Shihlin's food products of late due to doubts about its halal status and compliance with halal standards in manufacturing and supply chain activities. The company responded to the public's concern by obtaining the Indonesian Ulema Council (MUI) halal certification, increasing prices and affecting consumers' willingness to pay. In the form of a case study, this research aims to analyse the factors that influence Muslim consumers' willingness to pay for Taiwanese snacks in Indonesia, specifically Shihlin Taiwan Street Snacks. A total of 326 Indonesian Muslims took part in our survey, which data was analysed using SmartPLS. The study results revealed that animal slaughter, halal logos, price consciousness, food quality, and religious commitment positively influence Muslim consumers' willingness to pay for the snacks. The findings can benefit halal food companies in formulating strategies to guarantee consistent compliance of the halal standards in the manufacturing processes. Besides, we urge halal food regulators to provide better clarity in developing the halal and tayyib food criteria to earn better trust and confidence from Muslim consumers.

1. Introduction

A Muslim must follow Islamic law to guide every aspect of life regarding obligations, morals, and behaviour (Alserhan, 2010). Following Islam as a guideline for action aims to control and limit humans to achieve prosperity and peace globally and hereafter (Wilson & Liu, 2011). Concerning guidelines for acting, a Muslim must have a strong understanding of identifying halal or haram products (Wilson & Liu, 2010). In this regard, Muslims have been instructed by Allah to consume only halal food based on the commands set out in the Al-Quran surah Al-Baraqah verses 168 and 172.

At present, the concept of halal is not just an obligation or a demand; it has developed into a way of life for Muslim consumers (Golnaz et al., 2010). Based on data from the State of the Global Islamic Economy Report 2019/2020, global investment in the Islamic economy in 2018/2019 has reached $ 1.2 billion or has

grown by 399%, with the most significant percentage of investment in the halal food industry. The total expenditure on halal food and drinks by global Muslim consumers has increased by 5.1% from 2017. Besides, the increase in global demand for halal commodities is also influenced by the growth of the Muslim population in the world. The halal food and beverage market is an opportunity for business units and the government to see the global phenomenon. This opportunity is exploited by Muslim countries and non-Muslim countries that have shown interest and interest in addressing the Islamic lifestyle and consumption (Alserhan, 2010).

Indonesia is a country that has the largest Muslim population in the world, with 87.18% of its 232.5 million population being Muslim (Dinar Standard, 2019). Besides, Indonesia is the largest halal consumer, with total expenditures reaching $ 173 billion (Dinar Standard, 2019). This indicates that Indonesia is a country that has considerable market potential in terms of the halal industry, especially the food and beverage industry, thus attracting foreign businesses to participate in developing their business in Indonesia, including businesses originating from Taiwan.

One of the Taiwanese companies that entered the Indonesian market is Shihlin Taiwan Street Snacks. Shihlin entered Indonesia with a licensing strategy by PT Jaya Wira Jerindo through a franchise from Singapore in 2008. As of January 2020, the total number of Shihlin branches has reached 135 spreads across several islands in Indonesia. The development of Shihlin in Indonesia continues to increase along with the increase in consumption and the Indonesian people's penchant for chicken-based foods (Central Statistics Agency, 2018). Shihlin's development in Indonesia can also be seen from the several awards he received, including the Indonesian Top Brands in the 2019 chicken snacks category and the 2019 Indonesian Super Brands Award in the Food and Beverage Counter category (Shihlin, 2019).

The development of Shihlin from Taiwan needs to be highlighted by Indonesian consumers, given that most of Indonesia's population embraces Islam. This is motivated by non-halal at several critical points in the product supply chain, starting from the procurement of raw materials, including slaughtering animals, storage, and distribution. To be consumed by Muslims, Shihlin must give attention to the halal supply chain according to Sharia law (Tieman et al., 2012). If this is not done, food can be contaminated and categorised as non-halal food, which is prohibited for consumption.

Besides, Taiwan, as Shihlin's country of origin, is not a predominantly Muslim country. This potential to raise doubts in the minds of consumers regarding whether Shihlin products are halal or not. (Ali et al., 2017). Some consumers have low trust and are more sceptical about the authenticity of Halal products when they are in a non-Muslim country. Similarly, consumers may be wary of products that do not originate from a Muslim majority country. Moreover, it has been pointed out that more devout Muslims tend to be more sceptical and cautious regarding food products.

Therefore, Shihlin seeks to answer the above issues and expand market share in Indonesia as a Muslim majority country by guaranteeing the halalness of the product. Shihlin has received halal certification from the Indonesian Ulema Council (MUI) on 16 January 2020, after 11 years of being in Indonesia (Shihlin, 2019). However, according to Angulo and Gil (2007), the development of a halal certification strategy for a product has the potential to cause price increases and negatively affect the willingness to pay of Muslim consumers for halal-certified food, including Shihlin, who only had halal certification at the end of 2019.

Shihlin or other halal companies must understand the factors that motivate Muslim consumers to pay extra for certified halal food (Hosseini et al., 2019). Therefore, further studies in the area of concern are required, as the investigation of this issue lacks in the literature. This study focuses on analysing the factors that influence the willingness to pay Muslim consumers on Taiwanese snacks in Indonesia with the case study of Shihlin Taiwan Street Snacks, which also contributes to the existing literature on the halal supply chain and its certification. Another approach to improving the predictive power and getting more precise results is to examine moderator variables.

2.   Literature review

2.1   *Religious commitment*

Religiosity means a person's beliefs about the absolute inherent truth qualities and definitiveness of a religion's scriptures and teachings (Moschis & Ong, 2011). The encouragement of a Muslim to consume halal food is motivated by Islamic religious rules (Bonne & Verbeke, 2008). Thus, religiosity needs to be considered because it can influence one's actions. The effects of religiosity have been examined in various research and influenced consumer evaluations (Purnama & Safira, 2017). Awan et al. (2015) explained that consumers with high religiosity tend to be optimistic about the selection of halal food. In line with this, Muslims who have high religiosity also have an increased willingness to pay for halal food (Hosseini et al., 2019). Research by Hosseini et al. (2019) proves that religious commitment positively affects Muslim willingness to pay for Malaysian halal food.

2.2   *Conventional and Halal supply chain*

The Halal Industry Development Corporation (2013) defines the halal supply chain as all activities starting from the procurement of halal raw materials, the production process to the delivery of products to end consumers by paying attention to the provisions of Sharia. The main objective and focus of the halal supply chain are to expand halal integration under the Sharia law, starting from procurement, the production process, to the point of purchase of consumers (Tieman et al., 2012). Talib (2020) highlighted the need for a halal logistics standard to support the development of the halal supply chain worldwide. In addition to examining the effects of the presence of a halal logo, this study investigates more deeply into the evaluations of halal supply chain elements, namely animal slaughter and storage and transportation. This is motivated by the results of research by Manan et al. (2019), which found that knowledge of the halal supply chain affects attitude and trust toward foreign halal foods. This means that as consumers better understand preserving halal integrity, they will have more positive evaluations and trust halal foods even though the products originate from other countries, including those that do not have Muslims as the majority population in Taiwan.

2.3   *Animal slaughter*

Animal slaughter in Islam can be interpreted as *zabiha* or *dhabihah*, which is the slaughter of animals under the Sharia law of the Al-Quran and As-Sunnah (Fuseini et al., 2016). Islamic law has specified that the procedure for slaughtering animals includes several things that must be fulfilled. The Indonesian Ulema Council (MUI) has regulated this matter in the MUI Fatwa Number 12 of 2009 regarding Halal Slaughter Certification Standards. Muslim consumers who have special attention to the procedures for slaughtering animals have the potential only to buy food that has been certified halal (Hosseini et al., 2019). In line with this, Hosseini et al. (2019) found that animal slaughter positively affects the willingness to pay Muslim consumers for halal-certified food in Malaysia.

2.4   *Storage and transportation*

Islamic law has regulated matters relating to food, including transportation and storage. Halal food must be brought and placed in a different place if there is non-halal food (Tieman et al., 2012). The entire procedure is used to avoid contamination and ensure to Muslim consumers that halal food remains halal and *tayyib* (Bruil, 2010). The first effort to formulate an international standard halal logistics standard was carried out by The International Halal Integrity (IHI) Alliance in Malaysia. Research by Fathi et al. (2016) found that storage and transportation positively affect consumer willingness to pay for halal logistics in Malaysia.

2.5   Country of origin

Lee and Lee (2009) explained that the country of origin is the first signal for consumers because of limited product information and knowledge. The country of origin serves as a quality indicator for products, influencing risk perceptions and consumer purchases (Phau & Chao, 2008). According to Umberger et al. (2003), product guarantees issued by the country of origin and the country of the product's existence are of concern to consumers. Food products whose country of origin are predominantly Muslim countries gain more consumer trust than non-Muslim majority countries (Hosseini et al., 2019). In line with this, Nasution and Rossanty's (2018) research shows that the country of origin has a positive influence on the purchasing behaviour of Muslim consumers in buying imported food in Indonesia. Kawata and Salman (2020) also found that willingness to pay may differ for products from certain countries. For example, due to the popularity of Vietnamese coffee, Vietnamese customers were shown to be more willing to pay for instant coffee than their Asian counterparts.

2.6.   Halal logo

According to Wilson and Liu (2011), the easiest way for Muslim consumers to ensure that food is categorised as halal is to give attention to the certification and halal logo printed on the product. A halal logo is a form of information and assurance that explains that the ingredients contained in the product up to the production process follow the provisions of Islamic law (Hosseini et al., 2019). Therefore, the issuance of the halal logo through a certification process aims so that consumers can ensure and buy the right food product. Besides, scholars have recently found that the halal logo positively influences the willingness to pay towards halal-certified food among Muslim consumers in Malaysia (Hamzah et al., 2020; Hosseini et al, 2019). This finding is also supported by the research results of Kawata and Salman (2020), who found that consumers' willingness to pay increases for products having a halal logo compared to those that do not.

2.7   Food quality

Food quality is the performance of food in meeting consumers' needs and desires, influencing consumers in evaluating food (Ha & Jang, 2010). Ha and Jang (2010) emphasise that food quality indicators include freshness, product variety, taste, and health elements. Halal food quality refers to the ability of food to satisfy physiological needs (such as freshness, variety, taste, and health) and the psychological needs of Muslims (halalness). In the context of halal food, we expect that food halalness will have a positive effect on the willingness of consumers to buy food. Recent research by Hosseini et al. (2019) indicated that food quality positively influences the willingness to pay Muslim consumers for halal-certified food in Malaysia.

2.8   Price consciousness

Price means something that can help sellers attract more buyers, providing services to consumers who are part of the segmentation market (Roy et al., 2016). Price consciousness is a category of consumer segmentation that refers to people spending more time and effort looking for products at a lower price (Van Doorn &Verhoef, 2015). Accordingly, the halal certification requires additional costs from the manufacturers, which can cause an increase in prices (Angulo & Gil, 2007). This could be a major problem, since the consumers' refusal to pay more for Halal food may affect consumers' overall demand for halal food (Kamaruddin et al., 2012). Besides, high prices, according to Ahmad et al. (2013), have a negative impact on consumers' willingness to pay for halal processed food.

2.9 Willingness to pay

Willingness to pay refers to the economic term, reservation price, or the maximum amount a customer is willing to pay for goods; in other words, willingness to pay is the price at which a consumer is indifferent to buying and not buying the product (Jedidi & Zhang, 2002). By understanding the variables or factors of willingness to pay, the sales level may increase with appropriate price adjustments. The measurement method for identifying consumer reactions to the level of willingness to pay used in this study is the contingent valuation with closed questions because of the ease of ways to collect data, requires a short time, cheap, and easy to understand (Le Gall-Ely, 2009).

2.10 Shihlin Taiwan Street Snacks

Shihlin entered Indonesia with a licensing strategy by PT Jaya Wira Jerindo through a franchise from Singapore in 2008. As of January 2020, Shihlin has opened 135 branches across several islands in Indonesia, including Java, Bali, Sumatra, and Kalimantan. The company offers a menu that is based on chicken fillets such as crispy chicken, seafood tempura, egg crepe, cheese sauce, rice box, sweet plum potato fries, and crispy pepper mushroom. On 20 November 2019, Shihlin has become halal certified by the Indonesian Ulema Council (MUI). This is followed with the accreditation of the Halal Guarantor Guarantee (JPH) A on 16 January 2020.

3. Methodology

This marketing research refers to previous research by Hosseini et al. in 2019 classified into conclusive research with descriptive analysis and cross-sectional time category with single-cross sectional design. Besides, this research applies non-probability sampling, which means that prospective respondents in the population do not have the same opportunity to participate in research and respondents who have been selected are based on the needs of researchers who are considered capable of representing the population targeted (Malhotra et al., 2017).

This study uses secondary data sources and primary data to obtain information based on structured questions. Secondary data came from journals, books, websites, laws and fatwas, and reports. We distributed the questionnaires online through Google form via four sections namely introduction, screening questions, core questions, and respondent profile with a Likert scale ranges from 1 (strongly disagree) to 6 (strongly agree). With 41 indicators, the minimum number of respondents needed is 41 x 5 = 205 respondents (Hair et al. 2010). In collecting primary data, each respondent completed it independently without direct assistance from the researcher (self-administered questionnaire). Judgmental sampling was employed with the criteria for respondents being Muslim Indonesian citizens (WNI) who reside in Indonesia's territory and have purchased Shihlin products during the last six months.

This study examines seven independent variables, including animal slaughter, country of origin, storage and transportation, halal logo, price consciousness, food quality, and religious commitment, to determine the factors that affect Muslim consumers' willingness to pay for Shihlin products in Indonesia. The religious commitment variable also acts as a moderating variable to test other variables in strengthening

or weakening the outcome, consumers' willingness to pay. The framework in this study is illustrated in Figure 1 below:
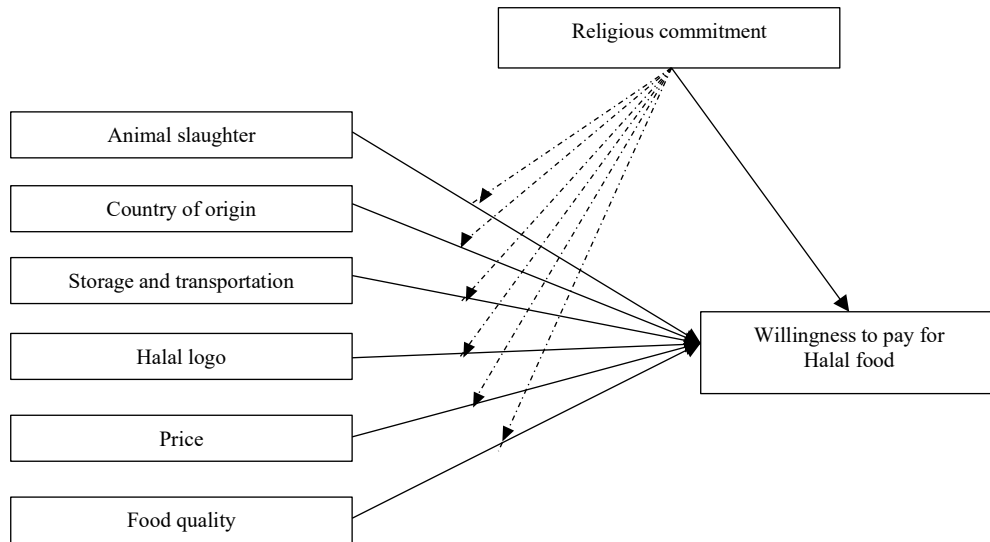

Figure 1. Research model

4. Findings

After the researchers collected data from 326 respondents, the data were processed and analysed using SPSS22 and Partial Least Structural Equation Modeling (PLS-SEM) using SmartPLS3.0. PLS-SEM does not require standard assumptions regarding data distribution and sample limitations.

Before the primary analysis, there is a validity and reliability test by evaluating the outer loading of each indicator with a value of ≥0.70; average variance extracted (AVE) with a value of ≥ 0.5; as well as composite reliability and Cronbach's alpha with a value of ≥ 0.60 (Hair et al., 2017). The measurement model can be seen in the Table 1 below. Based on the test results and the standard criteria used, the researcher removed two indicators to increase the AVE values, which were below 0.50. This was done by removing PC06 (outer loading=0.409) and FQ06 (outer loading=0.603) so that the AVE increase from 0.472 to 0.533 (PC06), and from 0.495 to 0.536 (FQ06) respectively.

Table 1. Measurement model result

Variables	Indicators	Item	Convergent Validity		Internal Consistency Reliability	
			Outer Loading	AVE	Cronbach's Alpha	Composite Reliability
Animal Slaughter (AS)	AS01	It is important to me that Shihlin uses chicken-based ingredients that are slaughtered by Islamic procedures.	0.863	0.644	0.907	0.926
	AS02	It is important to me that Shihlin uses the ingredients of chicken that a Muslim slaughtered.	0.847			
	AS03	The slaughter of chickens in Shihlin products must begin with reciting prayers.	0.898			
	AS04	Shihlin products must use sharp cutting tools for slaughtering chickens	0.813			
	AS05	The slaughter of chickens in Shihlin products must cut the respiratory tract, food passages, and blood vessels.	0.781			
	AS06	The slaughter of chickens in Shihlin products must be done by someone already pubescent (baligh).	0.796			
	AS07	Chicken meat in Shihlin products must be under expert supervision and approval.	0.577			
Country of Origin (CO)	CO01	It is important to me that the food that I buy comes from a Muslim-majority country.	0.791	0.704	0.938	0.95
	CO02	It is important to me that the food I buy comes from a country that does not violate human rights.	0.713			
	CO03	It is important to me that the food that I buy clearly states the country of origin.	0.699			
	CO04	I prefer halal food from Muslim-majority countries because the quality is guaranteed.	0.882			
	CO05	I prefer halal food from Muslim majority countries because it has a valid halal certification standard.	0.875			
	CO06	I prefer halal food from Muslim-majority countries because I trust the institution that issues the halal certificate.	0.907			
	CO07	I prefer halal food from Muslim-majority countries because it is guaranteed from the production process to the warehouse.	0.909			
	CO08	I prefer halal food from Muslim majority countries because of the transparency of the halal certification process	0.902			

Storage and Transportation (ST)	ST01	It is vital that Shihlin's warehouse for stocking raw materials (spices and chicken) is separated from non-halal ingredients.	0.953	0.893	0.940	0.962
	ST02	It is important to me that Shihlin's raw material (spices and chicken) shipments are separated from non-halal ingredients.	0.947			
	ST03	It is important that Shihlin uses facilities (warehouses and transport vehicles) dedicated to halal food.	0.935			
Halal Logo (HL)	HL01	It is important to me that Shihlin is halal certified by the government.	0.741	0.556	0.841	0.882
	HL02	It is important to me that Shihlin has been certified halal from LPPOM-MUI.	0.801			
	HL03	The certification and use of the halal logo on Shihlin convinced me that the food is halal.	0.582			
	HL04	When I buy food (including Shihlin), it must be halal-certified.	0.803			
	HL05	I feel that halal certification can improve Shihlin's market compared to other competitors.	0.748			
	HL06	I feel Shihlin has more appeal compared to other snacks that do not have a halal logo.	0.778			
Price Consciousness (PC)	PC01	It is important to me that Shihlin is economical.	0.813	0.472	0.792	0.833
	PC02	It is important to me that Shihlin is affordable.	0.862			
	PC03	It is important to me that Shihlin's price is comparable to the benefits and value it gives	0.837			
	PC04	When buying halal food (like Shihlin), I search carefully to find more affordable products.	0.577			
	PC05	Discount of halal food (including Shihlin) is my usual choice.	0.478			
	PC06	The price level plays a role in my decision to buy halal food (including Shihlin)	0.409			
Food Quality (FQ)	FQ01	It is important to me that Shihlin contains high-quality ingredients.	0.668	0.495	0.800	0.853
	FQ02	It is important to me that Shihlin does not contain non-halal ingredients.	0.797			
	FQ03	It is important to me that Shihlin does not contain ingredients that are prohibited in Islam.	0.784			
	FQ04	It is important to me that Shihlin does not use unhygienic ingredients.	0.721			
	FQ05	In my opinion, Shihlin's products are well produced.	0.626			
	FQ06	In my opinion, the quality of Shihlin products is consistent.	0.603			

Religious Commitment (RC)	RC01	The teachings of Islam are the basis of how I live my life.	0.866	0.73	0.907	0.931
	RC02	I take time to improve my understanding of the religion of Islam	0.849			
	RC03	Islam has influenced me in every aspect of life.	0.906			
	RC04	Religion is a significant thing for me.	0.854			
	RC05	I often read sources of knowledge (books, literature, and social media accounts) with Islamic nuances.	0.792			
Willingness to Pay (WP)	WP01	My willingness to pay for halal food (including Shihlin) is very high.	0.644	0.73	0.903	0.93
	WP02	I intend to pay more for halal food (like Shihlin).	0.835			
	WP03	I do not mind paying extra to ensure that Shihlin is stored without being contaminated with non-halal ingredients.	0.932			
	WP04	I do not mind paying extra to ensure that Shihlin is transported without being contaminated with non-halal ingredients.	0.920			
	WP05	I do not mind paying more to make sure that Shihlin is 100% halal.	0.907			

After a validity and reliability test, here is the primary analysis. Table 2 below shows the results of hypothesis testing and the corresponding path coefficients. Based on the results above, it can be interpreted that five relationship paths have a significant positive effect and six lines that have no meaningful relationship.

Table 2. Summary of hypotheses testing

Variables	T-Statistics	Path Coefficient	Result
H1: $AS \rightarrow WP$	1.986	0.126	Significant Positive
H2: $CO \rightarrow WP$	1.16	0.078	Not significant
H3: $ST \rightarrow WP$	0.139	-0.011	Not significant
H4: $HL \rightarrow WP$	1.722	0.136	Significant Positive
H5: $PC \rightarrow WP$	2.674	0.178	Significant Positive
H6: $FQ \rightarrow WP$	2.224	0.162	Significant Positive
H7: $RC \rightarrow WP$	2.061	0.157	Significant Positive
H8a: $AS *RC \rightarrow WP$	1.006	0.066	Not significant
H8b: $CO *RC \rightarrow WP$	0.956	0.063	Not significant
H8c: $ST *RC \rightarrow WP$	0.67	-0.048	Not significant

5.   Discussion and analysis

H1: Animal slaughter has a positive effect on the willingness to pay of Muslim consumers for Shihlin products in Indonesia

Based on the test results, hypothesis 1 is accepted. Hypothesis 1 has reached the minimum standard value of t-statistics ≥ 1.645, which is 1.986 with a path coefficient (β) value of 0.126. This shows that animal slaughter has a significant positive effect on Muslim consumers' willingness to pay for Shihlin products in Indonesia. The path coefficient explains that animal slaughter can affect willingness to pay by 12.6%. The results of this study are consistent with previous studies. Research by Hosseini et al. (2019) found that animal slaughter positively affects the willingness to pay for halal-certified food in Malaysia. The results of this study were supported by descriptive analysis with a total mean of 5.25. Based on these results, it can be said that the halal slaughter method is also a concern of consumers.

H2. Country of origin has a positive effect on the willingness to pay of Muslim consumers for Shihlin products in Indonesia

Based on the test results, hypothesis 2 is rejected. Hypothesis 2 does not reach the minimum standard value of t-statistics ≥ 1.645, 1,160 with a path coefficient (β) value of 0.078. This shows that the country of origin does not significantly affect the willingness to pay Muslim consumers for Shihlin products in Indonesia. The results of this study are consistent with the research of Hosseini et al. (2019) stated that the country of origin does not influence the willingness to pay for halal-certified food in Malaysia. Furthermore, the research results can be seen in the descriptive analysis. CO1 ("*It is important to me that the food that I buy comes from a Muslim-majority country*") has the lowest mean value with a value of 3.81. Research by Borzooei and Asgari (2015) states that country of origin is not affected because consumers pay more attention to brand image and quality, such as taste, price, packaging, and the food product's halal logo.

H3. Storage and transportation have a positive effect on the willingness to pay of Muslim consumers for Shihlin products in Indonesia

Based on the results of hypothesis testing shown in table 2, hypothesis 3 is rejected. Hypothesis 3 does not reach the minimum standard value of t-statistics ≥ 1.645, namely 0.139 with a path coefficient (β) value of -0.011. This shows that storage and transportation do not affect the willingness to pay Muslim consumers for Shihlin products in Indonesia. This study supports Hosseini (2019) that storage and transportation do not significantly positively affect the willingness to pay for halal-certified food in Malaysia. This can be motivated by the lack of knowledge regarding the importance of separation in the storage and distribution of halal food (Hosseini et al., 2019). It is possible that consumers also do not have sufficient knowledge about the storage and delivery process of raw materials carried out on certain product brands and only focus on the logo and halal certification (Hosseini et al., 2019).

H4. The halal logo has a positive effect on Muslim consumers' willingness to pay for Shihlin products in Indonesia

Based on the test results, hypothesis 4 is accepted. Hypothesis 4 has reached the minimum standard value of t-statistics ≥ 1.645, namely 1.722, with a path coefficient (β) value of 0.136. This shows that the halal logo has a significant positive effect on the willingness to pay Muslim consumers towards Shihlin in Indonesia. The path coefficient explains that the halal logo variable can affect the willingness to pay the variable by 13.6%. The results of this study are consistent with the research of Hosseini et al. (2019) stated that the halal logo has a positive influence on the willingness to pay for halal-certified food in Malaysia. Furthermore, the results of this study were supported by descriptive analysis with a total mean of 5.32. On the other hand, respondents prioritised the certification and use of the Shihlin halal logo issued by LPPOM MUI compared to the halal certification from Taiwan.

H5. Price consciousness has a negative effect on the willingness to pay of Muslim consumers on Shihlin products in Indonesia

Based on the test results, hypothesis 5 is rejected. Hypothesis 5 has reached the minimum standard value of t-statistics ≥ 1.645, which is 2.674 with a path coefficient (β) value of 0.178. This shows that price consciousness has a significant positive effect on Muslim consumers' willingness to pay for Shihlin products in Indonesia. The path coefficient explains that the price consciousness variable can affect the willingness to pay variable by 17.8%. The results of this study are inconsistent with previous studies. Research by Hosseini et al. (2019) found that price consciousness did not significantly affect the willingness to pay for halal-certified food in Malaysia. However, these results are in line with the research results by Awan et al. (2015) explained that consumers are willing to spend more money to buy halal food products. Their study indicated that consumers are willing to pay around 1 to 5 percent higher than the previous price in the event of a price increase.

H6. Food quality has a positive effect on Muslim consumers' willingness to pay for Shihlin products in Indonesia

Based on the test results, hypothesis 6 is accepted. Hypothesis 6 has reached the minimum standard value of t-statistics ≥ 1.645, namely 2.224, with a path coefficient (β) value of 0.162. This means that food quality has a significant positive effect on Muslim consumers' willingness to pay for Shihlin products in Indonesia. The path coefficient explains that the food quality variable affects the willingness to pay variable by 16.2%. The results of this study are consistent with Hosseini et al. (2019), who found that food quality has a positive influence on the willingness to pay for halal-certified food in Malaysia.

H7. Religious commitment has a positive effect on Muslim consumers' willingness to pay for Shihlin products in Indonesia

Based on the test results, hypothesis 7 is accepted. Hypothesis 7 has reached the minimum standard value of t-statistics ≥ 1.645, namely 1.853, with a path coefficient (β) value of 0.147. This shows that religious commitment has a significant positive effect on the willingness to pay of Muslim consumers towards Shihlin in Indonesia. The path coefficient explains that religious commitment affects the willingness to pay variable, 14.7%. The results of this study are consistent with Hosseini et al. (2019), who found that religious commitment has a positive influence on willingness to pay for halal-certified food in Malaysia. This is in line with the descriptive analysis of the total mean of 5.25. Individuals who are highly committed to religion have a higher willingness to pay for halal food (Khan et al., 2017).

H8a: Religious commitment has a positive effect on moderating animal slaughter on Muslim consumers' willingness to pay for Shihlin products in Indonesia

Based on the results, hypothesis 8a is rejected. Hypothesis 8a does not reach the minimum standard value of t-statistics ≥1.645, which is 1.006 with a path coefficient (β) value of 0.066. This shows that religious commitment does not affect moderating animal slaughter on Muslim consumers' willingness to pay towards Shihlin in Indonesia. This can be caused by a lack of knowledge on animal slaughter procedures under Sharia's provisions. Consumers focus more on the essential ingredients of Shihlin chicken which Sharia generally permits. The results of this study are consistent with the research of Hosseini et al. (2019), who found that religious commitment did not moderate the relationship between animal slaughter and the willingness to pay for halal-certified food in Malaysia.

H8b: Religious commitment has a positive effect on the moderating country of origin on Muslim consumers' willingness to pay for Shihlin products in Indonesia

Based on the test results, hypothesis 8b is rejected. The path coefficient (β=0.063) failed to reach the minimum standard value of t-statistics ≥ 1.645 (*t*=0.956). This shows that religious commitment does not moderate the effect of the country of origin on Muslim consumers' willingness to pay for Shihlin products in Indonesia. Due to the fact that Taiwan is not a majority-Muslim country, consumers may be hesitant to purchase Shihlin products. This finding is in line with Hosseini et al.'s (2019) earlier findings that religious commitment did not moderate the relationship between country of origin's and willingness to pay for halal-certified food in Malaysia.

H8c: Religious commitment has a positive effect on moderating storage and transportation towards Muslim consumers' willingness to pay for Shihlin products in Indonesia

Our findings indicate that religious commitment failed to moderate the effect of storing and transportation on consumers' willingness to pay for Shihlin products in Indonesia. Hence, the hypothesis 8c is rejected. The path coefficient (β =0.048) fell short of the minimum standard t-statistics value of 1.645 (t=0.670). This shows that religious commitment does not in any way, manipulate the relationship between storage and transportation and Muslim consumers' willingness to pay. The results of this study are inconsistent with the research of Hosseini et al. (2019). We strongly believe that the lack of consumers' knowledge of Sharia-compliant storage and delivery procedures contributed to this result.

H8d: Religious commitment has a positive effect on moderating halal logo on Muslim consumers' willingness to pay for Shihlin products in Indonesia

Based on the results of hypothesis testing shown in table 4:33, the 8d hypothesis is rejected. Hypothesis 8d does not reach the minimum standard value of t-statistics ≥ 1.645, which is 1.071 with a path coefficient value of -0.064. This shows that religious commitment does not affect moderating the halal logo on Muslim consumers' willingness to pay for Shihlin products in Indonesia. This is because most of Indonesia's population is Muslim. Thus, consumers tend to think that food sold in Indonesia, including Shihlin, is halal. The results of this study are consistent with the research of Hosseini et al. (2019) who found that religious commitment has an insignificant moderating effect on the relationship between halal logo and consumers' willingness to pay for halal-certified food in Malaysia.

6. Conclusion

The study results found that Muslim consumers' willingness to pay for Shihlin in Indonesia is positively influenced by animal slaughter, halal logo, price consciousness, food quality, and religious commitment. These results explain that the quality and accuracy of the method of slaughtering chicken meat, the determination and use of the halal logo, and the improvement of product quality at Shihlin can also increase willingness to pay. Besides, consumers are still willing to pay even at a higher price to get Shihlin products that are halal certified. On the other hand, the variables country of origin, storage, and transportation do not influence the willingness to pay Muslim consumers for Shihlin products in Indonesia. Religious commitment also does not positively affect moderating animal slaughter, country of origin, storage and transportation, and halal logo on the willingness to pay Muslim consumers for Shihlin products in Indonesia.

7. Implications

7.1 Implications for non-Muslim food manufacturers

Non-Muslim food manufacturers may conduct more research to develop and determine the right target market and apply prices within the consumers' willingness to pay limits. The use of promotions such as cashback or discounts could attract more consumers. Besides, providing greater attention to the consumers' feedback will ensure these food brands benefit from continuous product quality improvements. For this reason, attention to product quality with the main emphasis on guaranteeing halalness, cleanliness of raw materials, and taste is significant. It is a common knowledge that the guarantee of halal conformity can be achieved with certification, most likely through the display of the country's endorsed halal logo in the products' packaging. Food manufacturers must be committed to ensure that the halal certification is present for every product that they offer.

7.2. The implication for micro, small, and medium enterprises (MSME)

The implications of this research can also be used for other industry players, including domestic MSMEs. This research is an input to halal MSMEs to describe the halal supply chain as essential. It needs to be followed up with the procurement of halal certification, which affects willingness to pay so that the level of their product sales may increase. Therefore, as the halal certification of UMKM products increases, it can strengthen the domestic market and increase the market share of the domestic halal food industry.

7.3.   The implication for halal food regulators

We urge the Indonesian halal-related institutions (MUI and BPJPH) to tighten and improve existing regulations, such as clarifying halal and tayyib food criteria. These institutions should regulate and hold companies (that act as foreign product licenses) accountable for any irregularities in halal certification. Besides, the halal logo can only be valid if the food hygiene quality and manufacturing practice is maintained using high standards. MUI and BPJPH could cooperate with Halal agencies from other countries to streamline the global halal regulations and standards. Besides, these institutions must improve the convenience of their information systems for the benefit of both Halal-based industrial entrepreneurs and Muslim consumers.

8.   Limitations and future studies

Although the objective of this study was accomplished, its limitations should be considered before generalising the results. First, this study only used data from Indonesian consumers. To generalise the results to Muslims in other countries, future studies should collect data from Muslims in other countries - collecting more data with proportional criteria. Second, future studies should use other measurement methods and investigate other variables that are not included in our study, such as media influence, service capability, and image (Fathi et al., 2016).

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