

THE INFLUENCE OF HALAL AWARENESS, RELIGIOSITY, PRICE, AND HALAL CHANNELS ON THE DECISION TO PURCHASE HALAL PRODUCTS IN E-COMMERCE

Ahmad-Widyarma¹, Muhammad-Iqbal² and Prameswara Samofa-Nadya³

¹*Bachelor of Economics, Economics and Business, Perbanas Institute
Jakarta, Indonesia*

^{2,3}*Master of Science, Economics and Business, Perbanas Institute
Jakarta, Indonesia*

Email: widyarma25@gmail.com¹, iqbal@perbanas.id², prameswara.samofa@perbanas.id³

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ABSTRACT

In order to provide facilities for Muslim customers in Indonesia to access halal products, several e-commerce companies have equipped their platforms with halal channels, including Shopee and Tokopedia. This research aims to determine the effect of halal awareness, religiosity, price and halal channels on purchasing decisions for halal products in e-commerce. Using a quantitative approach with the associative method, the results show that halal awareness, religiosity and price positively have a significant effect on purchasing decisions for halal products in e-commerce, which means the higher halal awareness, religiosity and price relevance, the higher the level of purchasing decisions for halal products in e-commerce. However, the halal channel has no significant positive effect. This result means that the presence or absence of halal channel does not affect the consumer's decision to purchase halal products in e-commerce.

Keywords: *Halal Awareness, Religiosity, Price, Halal Channel, Purchasing Decision, e-Commerce.*

1.0 INTRODUCTION

The development of technology is so rapid that it disrupts all lines of life, including buying and selling transactions that initially required the meeting of sellers and buyers in real life, are now no longer needed. Digital technology makes transactions easier with the emergence of Electronic Commerce (e-commerce) or online shopping sites. Companies that provide online buying and selling services realize that Indonesia is the largest Muslim country in the world, therefore religious sentiment can be used as a tool to facilitate the marketing of a product.

Shopee started launching in Indonesia in 2015. Shopee is a subsidiary of the Sea Group, where the Sea Group itself is listed on the New York Stock Exchange (NYSE), with the symbol SE. Shopee is an online marketplace application for buying and selling via mobile phones easily and quickly. Shopee provides a variety of daily needs to lifestyle needs such as fashion and beauty. Meanwhile, Tokopedia is an electronic trading company that was founded in 2009, initiated by William Tanuwijaya and Leontinus Alpha Edison. Tokopedia was launched with the mission of economic equality throughout Indonesia.

Both understand that religion is a very powerful trigger in an effort to attract consumers. Therefore, a special channel for Muslim consumers emerged, namely the halal channel. At Shopee, it is known as Shopee Barokah, while at Tokopedia it is known as Tokopedia Salam. In the halal channel, the system will automatically filter products that are approximately in

accordance with the teaching contained in Islamic principles, with various required criteria. That way the service will make it easier for Muslim consumers to shop.

In addition to halal channels, there are several factors that can cause a consumer to make a purchase decision. Research conducted by Astuty (2019) and Nugraha (2021) states that conscious awareness and price have an influence on purchasing decisions. This means that the higher the awareness of halal and price, the higher level of purchasing decisions made by consumers. In research of Maspupah (2019), religiosity affects purchasing decisions for halal food and beverage products. In addition, Rohmatun and Dewi (2017) explains that religiosity has an effect on purchasing decisions for halal cosmetic products. This means that the higher the level of religiosity, the higher the level of a consumer’s purchasing decisions.

In research of Nugraha (2021), halal awareness, healthy awareness and price influence the decision to purchase halal products. Meanwhile Waskito (2015) mentions that halal certification, halal awareness and food ingredients affect the decision to purchase halal food products. In study of Sitompul (2021), knowledge of halal labels and brand awareness influence purchasing decisions. Rosidah (2018) said that the quality of information, religiosity and price affect purchasing decisions. However, in research of Astogini et al. (2011), religiosity has no effect on purchasing decisions for halal products.

Based on theories above, the theoretical framework of this research is:

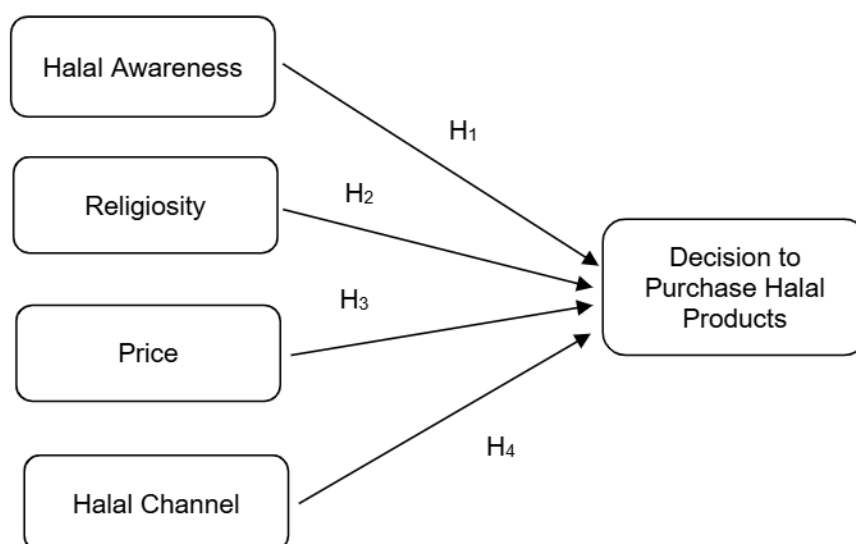


Figure 1. Theoretical Framework

2.0 METHOD

This research uses a quantitative approach with the associative method to determine the causal relationship between the independent variable and the dependent variable. Collecting data using a questionnaire distributed to respondents who live in Jakarta with an age range of 18 to 35 years old. The collected data was processed by multiple linear regression methods using SPSS. Data analysis using multiple linear regression method with the following formula:

$$KPH = b_0 + b_1KHL + b_2RGS + b_3HRG + b_4KNH$$

Where:

KPH = Decision to Purchase Halal Products

KHL = Halal Awareness
 RGS = Religiosity
 HRG = Price
 KNH = Halal Channel
 b_n = Coefficient

3.0 RESULTS

This research was conducted by distributing questionnaires to 399 respondents spread across various areas of Jakarta who had used the Shopee and Tokopedia applications, then from the collected data, multiple linear analysis was carried out with the following equations:

$$KPH = 2.199 + 0.140KHL + 0.270RGS + 0.243HRG + 0.109KNH$$

Which means that of the four independent variables researched, religiosity has the greatest influence on the decision to purchase halal products, followed by price, then halal awareness and, the least, halal channel, but based on the t-test, it turns out that the halal channel variable significantly has no effect on the purchase decision of halal products, while the other three variables proved to have a significant effect on purchasing decisions for halal products in the e-commerce.

The halal awareness variable has a positive influence on purchasing decisions for halal products. People who use the Shopee and Tokopedia platforms already have the knowledge and awareness that in fulfilling their daily needs they need to consider halal aspects, starting from the composition of a product, what ingredients are included in non-halal elements, the production process a product, which ultimately leads to the decision that in buying a product always prioritize halal products.

Religiosity is the integration of knowledge, feelings and religious behavior in humans. The aspect of religiosity in this research has a positive effect on purchasing decisions for halal products on the Shopee and Tokopedia e-commerce platforms. This means that consumers who use the platform already believe that the products that should be purchased are halal products. After that, it is developed in the behavior of being alert to non-halal products and raw materials, conducting transactions using methods that are in accordance with sharia principles, and feeling more secure and calm when transacting with methods that are in accordance with Islamic principles.

Price is the amount of value that consumers must spend to get the benefits of a product. The price variable in this study has a positive effect on purchasing halal products on the Shopee and Tokopedia platforms. Consumers using the platform affirm that the prices of halal products are able to compete in the market, and the quality obtained by consumers is always comparable to the price issued. This is also corroborated by the results of the distributed questionnaires.

Answers regarding the statement about prices are dominated by the answer choices that agree and strongly disagree. This proves that the higher the price of a halal product, the higher the consumer's consideration in spending a number of costs to get the benefits of the product. Conversely, the lower the price of a halal product, the lower the consumer's consideration in spending a number of costs to get the benefits of the halal product.

Halal channel is a special feature in Shopee and Tokopedia to provide halal-specific products. The halal channel variable does not have a significant influence on consumers in purchasing decisions for halal products at Shopee and Tokopedia. There are indeed consumers who use halal channels when shopping, but halal channels are not the main factor for consumers in deciding to buy halal products.

Whether or not there is a halal channel, consumers will continue to buy halal products because of the high level of halal awareness and one's religiosity. The understanding and knowledge possessed by consumers have been implemented on awareness of non-halal products, as well as preferences for choosing halal products that are good for everybody who consumes it.

4.0 CONCLUSIONS

Halal awareness, religiosity and price significantly have a positive effect on purchasing decisions for halal products in e-commerce. That is, the higher the awareness of halal, religiosity and price, the higher the influence on purchasing decisions for halal products in e-commerce.

Halal channels have no significant effect on purchasing decisions for halal products in e-commerce. This means that a consumer will still buy a halal product with or without a halal channel. Consumers will continue to buy halal products because of the dominant level of halal awareness, religiosity, price, or other factors.

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