

# The Effect of Halal Label, Halal Awareness and Brand Image on Consumer Intention to Buy

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**Abstract** Halal Label is the writings or statements are halal on the product packaging that shows the status of products is halal. Halal awareness is the knowledge of the purpose and the benefits of consuming and using the halal product. Brand Image is a collection of associations that have been formed customer perception for certain brand. Intention to buy as the statement related to the mental condition which reflects the consumer plan to buy a brand at a certain time. The purpose of this research is to test how the influence of Halal Label, Halal Awareness and Brand Image on consumers intention to buy. This research used a quantitative approach and conducted at Universitas Pembangunan Panca Budi Medan, North Sumatra Indonesia. The number of samples determined using Slovin Technique. The collection of data using questionnaires with Likert Scale 5 points. The test results in this research found that the brand image of has a positive effect on consumers intention to buy. Meanwhile, Halal label, Halal Awareness did not effect on consumers intention to buy. The existence of the brand is indicated by the potential buyer when they already have a brand information and will form a particular perception. A positive perception of brands has an impact on consumers intention to buy the brand from the offered products.

**Keywords** : Halal label, Halal Awareness, Brand Image, Intention to Buy.

## 1. INTRODUCTION:

Halal is unlimited for food, but Halal has been spread in the field of pharmaceutical, cosmetic products, and services including finance, investment, and business. Interest marketer develops products based on religion and has a specific target market is the demands of trade liberalization. Halal product market has facilitated the emergence of consumers from among Muslims become a promising market because of the halal product by the values of their faith [1].

Indeed what is conveyed by [10] that halal product trends have become the needs of the global market, besides the demands on the availability of halal products to meet a religious obligation. The existence of halal products have received recognition in the world, and as a reference that the product halal have the quality guarantee as hygienic, goodness and health [9].

Halal products become a strong foundation to decide to buy for Muslims. There is a halal label will lead people to understand what should they consume and use. Therefore, the awareness of the Halal concept must be accompanied by the involvement and knowledge of the Muslims. In addition to the Halal awareness, consumer considerations influenced by the halal brand image that they will buy. A halal brand image is a collection of associations that formed and reflect the relationship as consumers remember the brand. Based on the explanation above, authors are interested in the theme of the research with the title of the effect of the Halal Label, Halal Awareness and brand image on consumer intention to buy (A case of Aromatherapy products with brand's Fresh Care).

## 2. LITERATURE REVIEW:

### 2.1 Halal Label

Label is part of the product attribute that has the purpose of conveying the information listed on the product packaging as a sign to know the product [8]. The Halal label is the inclusion writings, or statement concerning the halal on the product packaging that the product is the halal status. (www.halal.mui.org) Criteria for giving the label halal reviewed from some point of view as follows:

- a) In making process.
- b) The main of raw materials.
- c) Supporting Materials

Benefits of halal label on the product as follows

- 1) Consumer confidence to make choices based on the information

- 2) Halal label can improve the competitiveness of products especially in Muslim countries
- 3) Consumer confidence in the product quality
- 4) As a way to audit and monitor the foods are halal.

## 2.2 Halal Awareness

Awareness is an effort to understand, feeling and become aware of events and objects. Awareness is also a concept that implies the understanding and perceptions of events or the subject [2]. Halal awareness is the knowledge of the concept of halal, halal process, and considered that Muslims who consume and use halal product is related to the important matter for their lives.

Discuss halal awareness will be reviewed from the side of religiosity intrinsic and extrinsic components. Muslims who have an awareness of the halal extrinsic components tend to respect and ensure what they consume is halal. They have a strong belief that the food is halal foods have goodness and blessings to be consumed in Islam [9]. Also, Muslims with a high intrinsic awareness, they spend the time to understand the halal concept. When Muslims consume, they do not only see visually (halal logo, composition) this case due to their worries to the product that displays the halal label without the certification process from a trusted institution such as Majelis Ulama Indonesia.

## 2.3 Brand Image

A brand is one of the terms that can be used as a summary of all forms of marketing object. A brand is a label that matches and worthy to describe an object that is marketed. A well known and trusted brand is an invaluable asset. Other Brands have a role in company marketing. The brand also has a strategic role that it is important to be key differentiators between products offered a company with brands the rival.

The image as a number of these representations, perceptions, and beliefs a person has an object [8]. The Image of the brand associated with the attitude of belief, satisfaction, and preference for a brand. The Image of the brand is a name or symbol that is associated with the products or services and cause psychological meaning or association and formed from the information and experience of the brand. The brand image depending on the perception of a person if the brand is good or bad. There are three components of brand image:

- Brand Association is the actions of the consumers to form the association based on their knowledge of the brand which is factual or sourced from the experience and emotions.
- Brand value is the actions of consumers in selecting the brand due to their perception of the brand characteristics that are associated with the values that they believe.
- Brand Positioning is the perception of the quality of a certain brand as consumer considerations in evaluating the alternative of the selected brand.

Some parameters determine the image of a brand namely: how the views of consumers on the brand, there are benefits associated consumers on the brand and how the identity and personality of the specific brand can attract customers when they choose and buy the brand from the product [9]. Brand image is the perception that appears and associated in the minds of consumers when they remember the specific brand.

## 2.4 Intention to Buy

Intention to buy is the tendency of consumers to take action related to the purchase and measured with how far the possibility of consumers in buying products, which means there is a tendency of consumers in buying a product [4]. This case must be measured with the following statement; I want to buy, or I do not want to buy, I will buy, or I will not buy, I will repurchase or I will not repurchase.

According to Doods et al. in [6], intention to buy is possible buyers intend to purchase a product. Meanwhile, intention to buy as the statement related to the mental condition which reflects the consumer plan to buy a brand at the certain time [15]. Factors that affect intention to buy related to their feeling and emotion, when their feel happy and satisfied with the purchase of goods or services, then the situation will strengthen their intention to buy, while dissatisfaction will remove their interests. Two factors affect the consumer intention to buy is an unexpected situation and attitude toward others [8].

From this explanation. The proposed research hypothesis in this research is as follows:

- H1: Halal Label, Halal Awareness, and Brand Image have positive and significant effect on consumer intention of buying simultaneously
- H2: Halal Label, Halal Awareness, and Brand Image have positive and significant effect on consumer intention of buying partially

## 3. MATERIALS & METHOD:

This research used a quantitative approach and conducted at Universitas Pembangunan Panca Budi Medan, North Sumatera-Indonesia. The number of samples in this research using the technique of Slovin [14]. Data in this

research acquired directly from the questionnaires. This research uses the variables namely: Halal Label (X1), Awareness Halal (X2), brand image (X3), and Intention to Buy (Y).

**Table 3.1**  
**Operational Variables**

Variable	Operational definitions	Scale
Halal Label (X1)	Halal Label is the writings or statements are halal on the product packaging that shows the status of products is halal.	Likert
Halal Awareness(X2)	Halal awareness is the knowledge of the purpose and the benefits of consuming and using the halal product.	Likert
Brand image (X3)	Brand Image is a collection of associations that have been formed customer perception for certain brand	Likert
Intention to Buy (Y)	Intention to buy as the statement related to the mental condition which reflects the consumer plan to buy a brand at the certain time.	Likert

**4. RESULT:**

**4.1 Characteristics of Respondents**

Overview of the respondent's characteristics obtained from the results of the questionnaires, among others based on age, gender status, and religion.

**Table 4.1**  
**Characteristics of Respondents**

	Characteristics of respondents	Number	Percentage (%)
1	Age		
	- Under 20 Years	20	30,8
	- 20 Years	41	63,1
	- 21 years	3	4.6
	- Upper 21 years	1	1.5
	Total	65	100
2	Gender		
	a. Male	25	38.5
	b. Female	40	61,5
	Total	65	100
3	Status		
	- Married	-	-
	- Single	65	100
	Total	65	100
4	Religion		
	- Muslim	63	96,9
	- Non Muslim	2	3.1
	Total	65	100

Based on the age of respondents are 20 years namely 41 respondents or of 63.1 % of total respondents. Based on gender are women some 40 respondents or of 61.5 % of total respondents. Based on the status, the majority is single status some 65 respondents or of 100% of total respondents. While, based on religion, number of Muslim is 63 respondents or of 96.9 % of total respondents.

**4.2 Test of Data Quality**

**Testing Validity and Reliability**

Validity test aims to test whether the instrument in this research is true or right in the measure each variable. If the result is valid, means the instrument data collected including the correct data or appropriate to use more information. If the validity of each statement is greater (>) 0.30, then the statement will be declared valid.

**Table 4.2**  
**Recapitulation Result of Validity Test**  
**Item- Total Statistics**

Variables	Statement Details	Corrected Item-Total Correlation	Description
Halal Label (X1)	A halal label on the product packaging is important	.498	Valid
	Halal label become considerations in purchasing the products.	.492	Valid
	Halal Label is a product quality	.377	Valid
	Prefer products with the halal label compare with the product does not have the halal label.	.363	Valid
	The products with halal label has passed the test by MUI	.355	Valid
Halal Awareness (X2)	I understand what is halal.	.535	Valid
	Halal is not only about the food and drinks.	.538	Valid
	I realize that the use of halal products is evidence of obedience to the commandments of the religion of Islam	.514	Valid
	Halal is lifestyle	.470	Valid
	Halal has impact on faith	.390	Valid
Brand image (X3)	I prefer to use FreshCare brand.	.428	Valid
	FreshCare brand has been proven scientifically.	.553	Valid
	I do not know FreshCre is halal product	.326	Valid
	FreshCare brand has an advantage over similar products	.496	Valid
	Freshcare brand guaranteed quality and halal.	.526	Valid
Intention to Buy(Y)	My best friend chooses the halal product.	.531	Valid
	I will recommend to the other people with Halal brand	.430	Valid
	Selecting halal purchase product is a good way.	.353	Valid
	I intended to buy halal product.	.478	Valid
	I am interested in the halal product.	.448	Valid

### Reliability Tests

From table showed that the value of Cronbach's Alpha of Halal Label (0.613>0.60), Halal Awareness (0.687>0.60), Brand Image (0.664>0.60), Intention to Buy (0.634 > 0.60). The result showed that all variables proposed can be declared reliable.

**Table 4.3**  
**Reliability Statistic**

Variables	Cronbach's Alpha	N of items	Description
Halal Label (X1)	.613	5	Reliable
Halal Awareness (X2)	.687	5	Reliable
Brand image (X3)	.664	5	Reliable
Intention to Buy (Y)	.634	5	Reliable

### 4.3 Classical Assumption

Classical assumption testing to ensure that multiple linear regression tests can be used or not used.

#### Normality tests

Based on the table, normality test results using One-Sample Kolmogorov- Smirnov test indicates the data has been distributed components normally, this is due to the total value of A Symp.Sig (2 tailed) on the value of the residual unstandardized (0.957) greater (> 0.005). Concluded the data showed that have normally distributed. Kolmogorov-Smirnov tests used to test data from the sample comes from a population that is normally distributed or not [10].

**Table 4.4**  
**Normality Tests**  
**One-Sample Kolmogorov-Smirnov**

		Residual Unstandardized
N		65
Normal Parameters <sup>a,b</sup>	Mean	.0000000
	Std. Deviation	2.18254759
Most Extreme Subsequently	Absolute	.063
	Positive	.036
	Negative	-.063
Kolmogorov-Smirnov Z		.510
Asymp. Sig. (2-tailed)		.957

A. Test distribution is normal.  
 B. Calculated from data.

### Multicollinearity Tests

Based on the results of the data processing shows that the value of the Variance Inflation Factor (VIF) < 10 namely Halal Label VIF (2.674 < 10); Halal Awareness VIF (3.435 < 10) and Brand Image VIF (1.513 < 10). While the value of Tolerance of Halal Label (0.374 > 0.10), Halal Awareness (0.291 > 0.10), Brand Image (0.661 > 0.10). The conclusion explains all variables have been set free from the multicollinearity.

**Table 4.5**  
**Multicollinearity Test**  
**Coefficients**

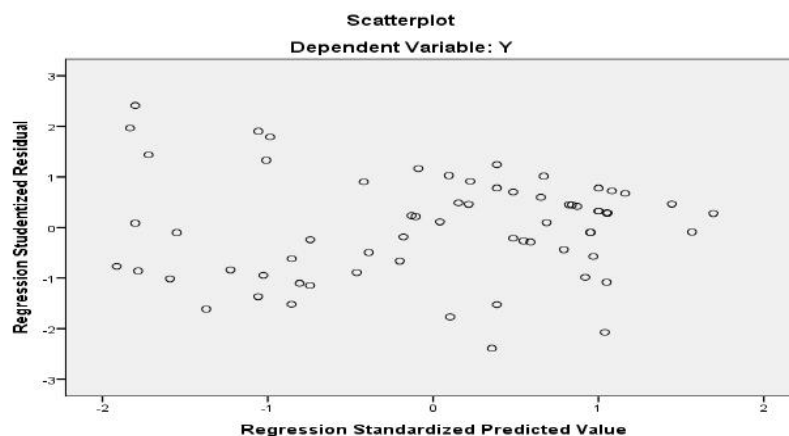
Model	Unstandardized Coefficients		Collinearity Statistics	
	B	Std. Error	Tolerance	VIF
(Constant)	5.803	1.992		
Halal Label	.078	.155	.374	2.674
Halal Awareness	.128	.186	.291	3.435
Brand Image	.451	.125	.661	1.513

A. Dependent Variables: Intention to Buy

### Heteroscedasticity Tests

Based on the image of Scatterplot showed that the points spread at random and does not form the pattern or specific line. From the results of the tests showed the variables tested in this research is homoscedasticity.

**Picture 4.1**  
**Scatterplot Heteroscedasticity**



**4.4 Test of Goodness Of Fit  
 Simultaneous Test (F-Test)**

Based on table showed that Simultaneous Test (F-Test) value of F-count > F-table (10.870>2.75) with significant value (0.00 < 0.05). That concluded that Halal Label, Halal Awareness, and Brand Image have the significant effect on consumer intention to buy.

**Table 4.6  
 Simultaneous Test (F-Test)  
 ANOVAb**

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	162.981	3	54.327	10.870	.000 <sup>a</sup>
Residual	304.865	61	4.998		
Total	467.846	64			

A. Predictors: (Constant), X3, X1, X2

B. Dependent Variables: Intention to Buy

**Partial Test (T-Test)**

**Table 4.7  
 Partial Test (T-Test)**

Model	t-count	t-table	Significance	Description
(constant)	2.913	2,000	.005	Have significant effect
Halal Label (X1)	.503	2,000	.617	Not significant effect
Halal Awareness (X2)	.691	2,000	.492	Not significant effect
Brand Image (X3)	3.606	2,000	.001	Have significant effect

Based on table showed that Halal Label, Halal Awareness, Brand Image on Intention to Buy as follows.

- Halal Label (X1), t-count < t-table is (0.503 < 2.000) with sig.value(0.617> 0.05). The result showed that Halal Label has not significant effect on intention to buy
- Halal Awareness (X2) t-count < t-table is (0.691 < 2.000) with sig.value (0.492 > 0.05).The result showed that Halal Awareness has not significant effect on intention to buy
- Brand Image (X3) t-count < t-table is (3.606 > 2.000) with sig.value (0.001 < 0.05). The result showed that Brand Image has a significant effect on intention to buy.

**Coefficient of Determination**

**Table 4.8  
 Coefficient of Determination**

**Summaryb Model**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.590 <sup>a</sup>	.348	.316	2.23557

A. Predictors: (Constant), X3, X1, X2

B. Dependent Variables: Intention to Buy

Based on the table, the results of Adjusted R Square value of 0.316. That means 31.6 percentage explains the variation of consumer intention to buy from Halal Label, Halal Awareness, and Brand Image while the remaining 100% - 31.6% = 68.4% influenced by the other variables that did not use in the model.

**Multiple Linear Regression**

Multiple linear regression aims to calculate the influence of two or more independent variables toward one dependent variable using two or more independent variables. From the results in the form of the table in multiple linear regression equations is:

$$Y = 5.803 + 0.078X1 + 0.128X2 + 0,451X3 + e.$$

## 5. DISCUSSION:

### The effect of Halal Label on intention to buy Fresh Care Aromatherapy

From the results test of data showed that Halal Label did not affect consumer intention to buy Fresh Care Aromatherapy. This case shown by  $t\text{-count} < t\text{-table}$  which mean  $(0.503 < 2.000)$  and sig.value  $(0.617 > 0.05)$ . This result is a contrary with the previous research suggested by [5] that halal label is the competitive advantages in the manufacturer can use it as a marketing tool to secure a greater market for Muslims and non-Muslims.

### The effect of Halal Awareness on intention to buy Fresh Care Aromatherapy

From the result test of data showed  $t\text{-count} < t\text{-table}$   $(0.691 < 2.000)$ , and sig.value  $(0.492 > 0.05)$ . The result indicated that Halal Awareness did not affect consumer intention to buy Fresh Care Aromatherapy. The result is contrary to the study of [16] demonstrated that Halal Awareness was a knowledge of Halal concept for Muslims, halal process, and considered that consumed and uses halal goods is important.

### The effect of Brand Image on intention to buy Fresh Care Aromatherapy

The result test of data showed  $t\text{-count} < t\text{-table}$   $(3.606 < 2.000)$  and sig.value  $(0.001 < 0.05)$ . The results test supported the study of [6] who proposed that an existence of brand shown when a potential buyer already has enough information about the brand, and it has formed a specific perception. The positive perception has an impact on consumer intention to buy the product offered.

## 6. CONCLUSION:

Based on the result and discussion in this research, the authors concluded as follow :

Halal label, Halal Awareness, and Brand Image have the significant effect on consumer intention of buying simultaneously. However, partially the effect of the Halal Label and Halal Awareness did not affect consumer intention to buy. The brand image has a significant effect on consumer intention of buying. The result indicated that there are another factors which considered by the consumer on Fresh Care brand.

The company should raise the halal label by raising halal logo MUI on the product packaging. The level of knowledge of students including still low resulting in the awareness of the lawful for products is still limited to the product category of food only. Therefore, should be in the curriculum can be added to the subjects about the halal product. The authors recognize the existence of limited funding and time, which causes some samples including a small sample. Therefore it is expected that other authors can add samples and variables for further research.

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