

## The Influence of Halal Awareness of Halal Labels and Sub-Cultures on the Purchase Decision of MSME Products in Bumiayu

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### Abstract

*Micro, Small and Medium Enterprises (MSMEs) are productive economic businesses run by individuals or medium to small scale business entities and business fields that have a role in regional development and regional economic growth. This study aims to find the influence of Halal Awareness, Halal Labels and Sub-cultures on MSME Product Purchasing Decisions in Bumiayu. This type of research uses descriptive quantitative researchers using survey methods and data collection by distributing questionnaires. The sampling technique uses non-probability sampling with accidental sampling method. The number of samples used was 96 samples, each of which had been tested and met the requirements of validity and reliability tests. Data analysis using multiple linear regression and hypothesis testing using partial (*t* test) and simultaneous (*F* test) significance tests by showing the results of Halal Awareness, Halal Labels and Sub-culture have an influence on MSME Product Purchasing Decisions in Bumiayu.*

**Keywords:** Halal Awareness, Halal Labels, Sub-Cultures, Purchase Decision, MSME

### A. Introduction

Bumiayu is known as a santri city which is in the administrative area of Brebes district, there are twenty more pesantren spread across Buamiayu and its surroundings, besides that Bumiayu is an area where the majority of the population is Muslim. As an area known for its santri city, it is imperative that everything related to daily life cannot be separated from Islamic religious guidance, for example in consuming products for daily needs it must have a halal predicate. The term halal in everyday life is more often used to indicate food and drinks that are safe for consumption.

However, halal is not only attached to food and beverages, use products must also bear the title of halal. Use products are important to have the title of halal because in the production process they must be free from materials that are not in accordance with Islamic religious rules, for example the use of raw materials from pork or its derivatives as raw materials for making products. Knowledge about halal and haram is generally obtained by children from an early age, specifically education based on Islamic religion

such as Madrasah Diniya Takmiliyah Awaliyah (MDTA), Madrasah Ibtidaiyah (MI), Madrasah Tsanawiyah (MTS), or Madrasah Aliyah (MA) and Islamic Boarding Schools. As a country with a majority Muslim population, of course Islamic education centers are very easy to find so that people have an awareness of halal (halal awareness) from an early age.

Because Indonesia is a Muslim-majority country, it is not difficult to find halal food, beverage and use products. To prevent the Muslim community from consuming non-halal products, the government requires that every business actor must carry out halal certification so that products sold to the community must include a halal label. In Indonesia, halal certification was initially handled by the Indonesian Ulema Council (MUI), will but currently halal certification is carried out by the Ministry of Religion. Halal certification by the Ministry of Religion is carried out by conducting halal tests on raw materials, supervision of product production processes and supervision of places for product production. MUI. Products that pass the halal certification have the right to include the halal certification logo which shows that the product is halal for consumption. Although it does not mean that a product that does not have a halal certification logo is certainly a product that is included in the haram category.

There are still many people who buy products to be consumed with the mindset that haram food is only food whose main ingredients use haram ingredients without thinking more broadly that there are other things that can affect the halal product such as how to process it, the additional products used, how to distribute it, and so on. how to store can affect the halal product. Public awareness about halal or haram (halal awareness) in consuming food will encourage more careful consideration in choosing a product. So that there will be a selection process where there is a selection of products to be consumed and there will be products left behind.

One of the benchmarks in selecting these products is the halal certification label for a product. The halal certification label, seen from the assessment of the Bumiayu community and its surroundings as a whole, will have a strong influence on consumer buying interest at the national and international levels. However, it does not fully occur in food products, especially local food products produced by MSMEs in the Bumiayu region and its surroundings. Referring to the observations made in this study, consumers generally buy

local food products because prices tend to be cheaper coupled with easy access to obtain these products. In fact, there are still many products that do not include a halal certification label on their packaging and many people do not consider whether there is a halal certification label on a product's packaging so they tend to continue to consume these products. This will raise a problem where there is a gap between products that have included a halal certification label and products that have not been halal certified. The halal certification label will provide protection for producers from demands for materials and processes that are not halal in the production process and will protect consumers so that there are no doubts in consuming a product which will certainly increase the certainty of halal and a sense of security in consuming the product.

The influence of the halal label on consumer behavior has become an interesting topic in marketing research. Several previous studies have shown that halal labels can influence consumer behavior in choosing products. According to Abdullah et al. (2016), a halal label gives confidence to consumers that the product meets halal standards set by religious authorities. This can increase consumer confidence in products and influence their purchasing decisions. In addition, research by Jamaludin et al. (2018) shows that the halal label can also affect consumer perceptions of product quality. Therefore, the use of the halal label can be an important factor in influencing consumer behavior in choosing MSME products.

Sub culture refers to small groups in society that have different characteristics and cultural values. The influence of sub culture on consumer behavior has become the focus of research in the field of marketing. According to Solomon (2017), sub-culture can influence consumer preferences, lifestyles, and their purchasing decisions. For example, religious sub-culture can influence consumer preference for halal products. Research by Usman et al. (2019) shows that religious sub-culture has a significant influence on consumer behavior in choosing halal products. Therefore, an understanding of the influence of sub-cultures on consumer behavior can help in understanding consumer preferences for MSME products.

The effect of halal awareness, halal labels and sub-culture on the consumer behavior of MSME products has not been studied much. However, several previous studies have shown that these two factors can influence consumer behavior in selecting products. According to Rahman et al. (2017), the halal label and religious sub-culture have a positive influence on consumer

purchasing decisions for halal products. In addition, research by Suhartanto et al. (2018) show that religious sub-culture can moderate the effect of halal labels on consumer behavior.

This study discusses the influence of halal awareness, halal labels and sub-culture on purchasing decisions for MSME products in Bumiayu. The hypothesis in this study is that halal awareness, halal labels and sub-culture influence purchasing decisions for MSME products in Bumiayu.

## **B. Literature Review**

### **1. Halal Awareness**

Halal Awareness According to Praslova-Forland and Divitini (2003) social awareness is awareness of a social situation within a group or community in a particular environment, in this case it can be tangible, intangible or both. This includes human-made rules, activities, positions, status, responsibilities, social connections, and the process of forming groups over short to long periods of time in social settings. Consciousness is the ability to perceive, feel, and be aware of events and objects. Consciousness is a concept about implying understanding and perception of events or subjects (Aziz & Vui, 2013). According to Ahmad, Abaidah, and Yahya (2013) awareness of halal is known based on whether or not a Muslim understands what halal is, knows the correct slaughtering process, and prioritizes halal food for them to consume. Based on the above understanding, it can be concluded that halal awareness is a Muslim's knowledge of the concept of halal, halal process, and considers that consuming halal food is important for him.

### **2. Halal label**

Halal labels are the inclusion of halal writing or statements on product packaging to indicate that the product in question has the status of a halal product (Ministry of Religion of the Republic of Indonesia 1997 and 2003). A halal label is obtained after obtaining a halal certificate. The halal label on product packaging in Indonesia is a logo composed of Arabic letters that form the word halal in a circle (Month, 2016). Meanwhile, according to Yuswohady (2015) states that the halal label is a guarantee given by an authorized institution such as the Research Institute for Food, Drugs and Cosmetics of the Indonesian Ulema Council to ensure that the product has passed the halal test according to Islamic law.

### 3. Sub Culture

Each culture consists of smaller sub-cultures that provide more characteristics and special socialization for its members. Sub-cultures consist of nations, religions, racial groups, and geographic regions. Many sub-cultures make up important market segments by designing products and marketing programs tailored to consumer needs. A company makes a product according to the area where the product is marketed (Kotler and Keller, 2007). According to Solomon (2004), sub-culture consists of members who share the same beliefs and experiences that distinguish these members from others. These members can be based on the same age, race, ethnic background, or place of residence. Each tribe has different wants and needs, such as in determining a product, choosing tourist attractions, political behavior and the desire to try new products. In terms of age, it also influences consumption behavior. According to Schiffman and Kanuk (2008), subculture divides the whole society into various sociocultural and demographic variables such as nationality, religion, geographic location, race, age, gender, and even employment status. Members of a particular subculture have values, beliefs, and customs that distinguish members of that subculture from other members of the same society.

### C. Research Methods

This type of research is quantitative research with three independent variables including halal awareness, halal labels and sub-culture. While the dependent variable is purchasing decisions, for the population in this study all consumers of MSME products in the Bumiayu region. The sampling method uses non-probability and the sampling technique uses simple random sampling technique.

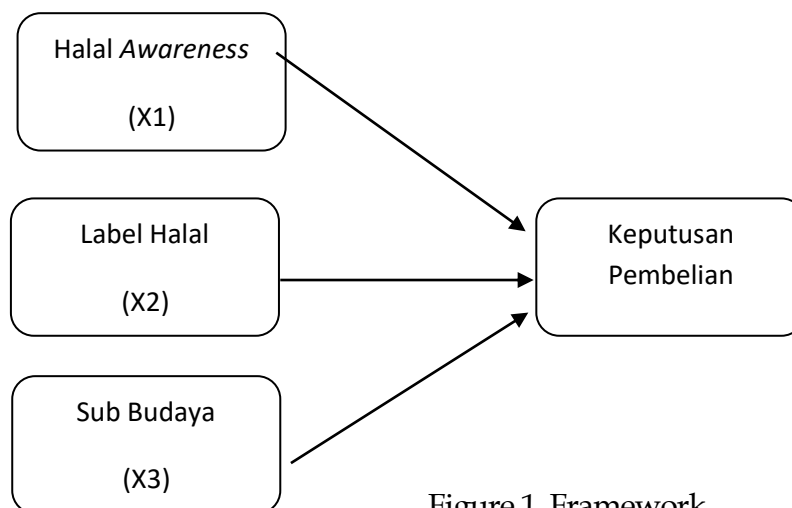


Figure 1. Framework  
Source: Processed data (2023)

## D. Result and Discussion

### 1. Result

#### Classic assumption test

Tabel 1. Normality test

Kolmogorove smirnov	Asymp.Sig	Kriteria	Result
0,823	0,508	>0,05	Normal Distributed

Source: Processed data (2023)

From table 1 above it can be concluded that the Asymp.sig value of 0.508 is greater than 0.05. This can be interpreted that the residual value of the standardized test is stated to be normally distributed.

Table 2. Multikolinierity test

Variabel	Tolerance	VIF	Result
Halal Awareness	0,510	1,959	No Multicolinierity
Label Halal	0,369	2,710	No Multicolinearity
Sub culture	0,575	1,738	No Multikolinierity

Source: Processed data (2023)

From table 2 above it can be seen that no variable has a VIF value greater than 10. So it can be concluded that there is no multicollinearity between the independent variables in the regression.

Tabel 3. Hetrokedastisity test

Variabel	Sig	Result
Halal Awareness	0,584	No Hetrokedastisity
Label Halal	0,067	No Hetrokedastisity
Sub Budaya	0,846	No Hetrokedastisity

Source: Processed data (2023)

From table 3 above it can be seen that it shows that this test uses the Glejser test method whose value is seen from the t sig. All variables have a significance or confidence level above 0.05. This explains that there is no Hetroscedasticity in this model.

## Hypothesis testing

Table 4. Hypothesis testing

Variabel	Koef. $\beta$	T	Sig.	Result
Konstanta	5,965	4,884	0,000	
Halal Awareness	0,157	3,097	0,003	Significant
Label Halal				
Sub culture	0,268	3,405	0,001	Significant
	0,149	1,815	0,041	Significant

Source: Processed data (2023)

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## Multiple Linear Regression Analysis

The results obtained in the table above show that the  $\beta$  coefficient can be used as a regression equation and interpreted as follows:

$$Y = 5,965 + 0,157 X_1 + 0,268 X_2 + 0,149 X_3 + e$$

## Partial test (t test)

The calculated t value generated on the halal awareness variable is 3.097 with a sig of 0.003. Sig analysis results. 0.003 < 0.05 means that individually the variable of consumer motivation has a significant effect on purchasing decisions.

The calculated t value generated on the Halal Label variable is 3.405 with a sig of 0.001. Sig analysis results. 0.001 < 0.05 means that individually the halal label variable has a significant effect on purchasing decisions.

The calculated t value generated for the sub-culture variable is 1.815 with a sig of 0.041. Sig analysis results. 0.041 < 0.05 means that individually the sub-cultural variables have a significant effect on purchasing decisions.

## Simultaneous Test (F test)

Tabel 5. Simultaneous Test

F hitung	F Sig
32,472	0,000

Source: Processed data (2023)

Based on the table above, it is known that the calculated F value is 32,472 with an F sig. of 0.000, where the value of F sig. 0.000 < 0.05, the hypothesis is accepted, in other words halal awareness (X1), halal labels (X2), and sub-culture (X3) have a significant effect on purchasing decisions (Y).

## Koefisien Determinan ( $R^2$ )

Table 6. koefisien determinan

R	R Square
0,694	0,481

Source: Processed data (2023)

The table above shows that the R Square is 0.481, this shows that the purchasing decision variable is influenced by halal awareness, halal labels, sub-culture of 48.1%. The remaining 51.9% is influenced by other variables not examined.

## 2. Discussion

### a. Effect of Halal Awareness on Purchasing Decisions

The test results show that halal awareness has a significant and significant effect on purchasing decisions. This indicates that a person's level of halal awareness regarding halal information is able to influence a person in making and making purchasing decisions.

### b. Effect of Halal Label on Purchasing Decisions

The test results show that the halal label has a significant and significant effect on purchasing decisions. This indicates that the halal label that exists or is listed on the product can guarantee product safety for consumption so that it can influence someone in making and making purchasing decisions.

### c. Effect of Sub Culture on Purchasing Decisions

The test results show that sub-culture has significant and significant influence on purchasing decisions. This indicates that the prevailing sub-culture around the Bumiayu community which is famous for its santri city is able to influence someone in making and making purchasing decisions.

## E. Conclusion

This research has several limitations. Therefore, these limitations need to be considered for future research. The limitation of this research is that the factors that influence purchasing decisions in this study only consist of three variables, namely halal awareness, halal labels, and sub-culture, while there are many other factors that influence purchasing decisions. For further researchers, they can develop this research by examining



other factors that can influence purchasing decisions. Expanding respondents or a larger population, so as to get a broader generalization of research results.

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