

## Halal Purchase Intention on Processed Food

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**Abstract.** *The objective of this study is to investigate the factors affecting customers on purchasing halal purchase intention on processed food. A purposive sampling method with 193 respondents and the data analysis is done by SEM-PLS method. The results show that halal awareness, health reason, and perceived value have a significant and positive direct effect on purchasing intention. Halal marketing also shows a significant and positive effect on purchasing intention. The food safety, halal certification, brand image, and perceived quality show the same effect which has no direct effect on purchasing intention. Furthermore, Food safety has an indirect effect on purchasing intention through health reason. Halal certification has an indirect effect on purchase intention through brand image variable. Meanwhile, brand image and perceived quality have an indirect effect through perceived value variable on purchasing intention.*

**Keywords:** *Halal Food, Purchase Intention, SEM*

**Abstrak.** *Sebagai negara yang mayoritas penduduknya beragama Islam, peningkatan permintaan akan produk halal meningkatkan kesadaran masyarakat dalam mengkonsumsi produk halal dan menjadi potensi pasar yang sangat besar bagi produsen. Tujuan dari penelitian ini adalah menganalisa faktor-faktor yang mempengaruhi pelanggan pada halal purchase intention pada makanan olahan. Penelitian ini menggunakan metode purposive sampling dengan 193 responden dan analisis data dilakukan dengan metode SEM-PLS. Hasilnya menunjukkan bahwa halal awareness, health reason, dan perceived value memiliki pengaruh langsung yang signifikan dan positif terhadap purchase intention. Halal marketing juga menunjukkan pengaruh yang signifikan dan positif terhadap purchase intention. The food safety, halal certification, brand image, dan perceived quality menunjukkan efek yang sama yaitu tidak memiliki efek langsung pada purchase intention. Selanjutnya, food safety memiliki efek tidak langsung pada purchase intention melalui health reason. Halal certification memiliki pengaruh tidak langsung terhadap purchase intention melalui brand image. Sementara itu, brand image dan perceived quality memiliki efek tidak langsung melalui variabel perceived value pada purchase intention.*

**Kata kunci:** *makanan halal, purchase intention, SEM*

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## Introduction

### Halal Product in Global Halal Market

Halal products refer to products that meet the *syar'i* requirements that prevent prohibition, both in terms of substance and other substances (Burhanuddin, 2011). According to Al-Ghazali (2007), food can be haram because of its kind of haram, such as khamar, pig, etc., including the products of its derivatives (alcohol, gelatin, etc.), and it is haram because how to get it, including in the treasure to get it and the process of making it.

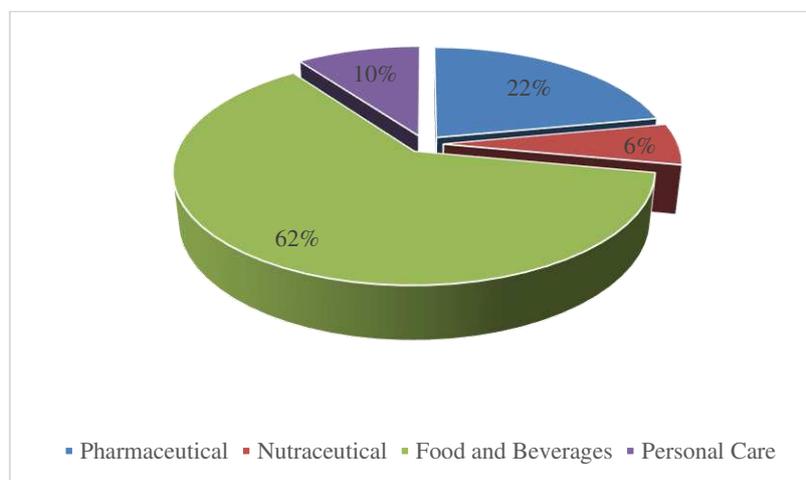


Figure 1. Global Market for Halal-Potential Products, 2015

Source: Euromonitor reports; FAOStat, 2015

The halal market has been qualified as the target market that can potentially be captured. Approximately 67% of these halal-potential products are categorized as fast moving consumer goods (FMCG). In Figure, 1.62% of the global halal market potential is dominated by food and beverages.

Central Bureau of Statistics in 2010 stated that the number of moslem population in Indonesia reached 207 million or 87.18 percent of the population of Indonesia. The large market share of halal products will eventually become the large market of halal products. Based on a survey conducted by the research team of Majelis Ulama Indonesia (MUI) revealed

that the level of awareness of Indonesian people to halal products increased significantly. On 2009, the level of public awareness of halal products is only about 70 percent, but it increases by the end of 2010 to around 92.2 percent, which means that this potential could make Indonesia be a world level halal producer (Syahrudin, 2014). The growing awareness of moslems around the world on their obligation to consume food that meets the requirements of the Islamic diet has created a greater demand for halal food and products (Ambali and Fuel, 2013).

Nowadays, halal is no longer purely as a religious issue, but in the realm of business and commerce (Borzooei and Asgari, 2013). Halal can be a distinguishing factor and by searching, highlighting and communicating halal certification, it may be able to expand into the world market (Rajagopal *et al.*, 2011). The benefits of halal products affect the attitudes and behavior of consumers in terms of the intention to buy products and the willingness to pay for halal products (Aziz and Chok, 2013). Conversely, companies that ignore this halal issue will be left out by their customers and it will affect the company's overall profit.

This study is conducted to analyze the factors that affect halal purchase intention of processed food to consumers.

## **Literature Review**

Halal means allowed, whereas haram means not allowed (Qaradhawi, 2013). Ahmad (2014) mentioned that the word halal is derived from the Arabic language, and it refers to Islamic belief, applied by moslems and it is defined as things or actions permitted by Islamic law without punishment imposed on the offender, as it is permitted by sharia law. In accordance with the rules of ushul fiqh, everything that is not prohibited by Allah means halal (Apriantono, 2005). According to Ambali and Bakar (2013), halal means permissible or lawful according to Islamic law and this also refers to food or products that are halal for moslem consumption.

Halal food is food that is allowed to eat according to Islamic sharia. Halal drinks are drinks that are allowed to drink according to Islamic sharia. The halal and haram of food comes from God. Halal indicates that it contains nothing that is considered polluted in accordance with the sharia, halal meat indicates that animals have been slaughtered in accordance with the sharia.

In the Al-Qur'an, there are many commands on the consumption of halal food and the rules about the type of food that is forbidden, among others in Q.S. Al-Baqarah [2]: 172-173, Q.S Al-Maidah [5]: 3, Q.S. Al-An'am [6]: 145, QS An-Nahl [16]: 114, and QS Al-Maidah [5]: 90. Of those verses which include forbidden food; carcasses, blood, pigs, animals that when slaughtered are called names other than God, and khamer. Thus food and drinks as long as the ingredients and their management processes are not mixed with something that is haram is halal.

The halal concept emphasizes cleanliness, safety, hygiene, virtue, purity, manufacture, production, process, honesty, truth, and food service and other financial and social activities on an excellent platform from Islam (Hussein *et al.*, 2016). Thus, halal food produced must have halal certification to ensure halal. In addition, food safety and health reason also become a reason in choosing halal food.

Halal certification is a certificate that states the origin of a product issued by a recognized and credible institution (Apriantono *et al.*, 2007). Halal certificates are required for products (raw materials, ingredients, additives, packaging materials, etc.) and services (such as logistics, cleaning services, insurance) purchased and for animal-based products which it is important to know whether the animals slaughtered by machine or shot (Tieman and Ghazali, 2013). Especially for Indonesia, the recognized halal certification institution is the Institute for Assessment of Food, Drugs and Cosmetics of Majelis Ulama Indonesia (LPPOM MUI). While for products from abroad, recognized and credible institutions are institutions that have established cooperation relationships with Indonesia (MUI). Products containing animal elements (beef, chicken, goat, etc.) must have a halal certification. Likewise

products that derive from animal derivatives, such as fat, gelatin, flavors must also have halal certification. This halal certification has its expiration date. Therefore, the company must immediately have a new halal certification to the supplier or manufacturer, when the validity period is expired.

Issa *et al.* (2009) states that halal certification is one way to inform and to convince consumers that the product is produced not only halal and sharia-compliant, but also hygienic. Labels that are placed must be clear and meaningful to avoid confusion among consumers. Consumers are more concerned with halal logos and some moslem consumers prefer halal logos than ISO or similar certifications.

Moslem consumers demand healthy and qualified products that meet sharia requirements (Hussain *et al.*, 2016). Not only are religious motives that determine public awareness about halal food or products for consumption, but also health issues related to religious identity and acculturation rates in whatever they consume daily, and also closely related to the argument for halal consumption because the main purpose of Allah (SWT) from halal is to ensure a healthy life for people (Ambali and Bakar, 2013).

Food safety is an important attribute for the purchase of food products (Hussain *et al.*, 2016). In the Islamic perspective, under the shariah law, food safety meets the requirements of halal and *thayyib* (good).

Senthilnathan and Tharmi (2012) explained that purchase intention is a subjective tendency of consumers to certain products or services influenced by internal and external factors (such as choosing products, brands, retailers, time, and quantity); and consumers make purchasing decisions based on their individual qualities, personality, characteristics and decision-making processes, which can be an important element for predicting consumer behavior. Wang and Tsai (2014) defined purchase intention as a tendency of personal behavior and individual conscious plans to buy certain products in buying the brand based on the perceived benefits and value of consumers. While Wu (2011) stated that purchase intention represents the possibility that consumers will be planning or willing to buy certain products or services in

the future, an increase in purchase intentions means an increased likelihood of purchase so that it can be used as an important indicator to predict consumer behavior.

Lee *et al.* (2011) stated that brand image consists of knowledge and beliefs about various brands of products and attributes of non-consumer products. Brand image is a personal symbolism that the consumer associates with the brand, which consists of all descriptive and evaluative brand information. Kotler (2009) defined brand image as the sum of the images, impressions and beliefs that a person has toward an object. Brand image is associated with an attitude of belief and preference for a brand.

Awareness is a concept that implies the ability to understand, feel, and become aware of events and objects, and play an important role in determining the intention to choose (Aziz and Chok, 2013). Awareness of halal principles determined by a positive attitude will determine the behavior in consuming or buying halal products. This is supported by Lada *et al.* (2009) that a positive attitude encourages the intention of choosing a halal product. Therefore, halal awareness can be conceptualized as a process of obtaining information in order to raise the level of awareness of what is permissible for moslems to eat, drink and use (Ambali and Bakar, 2013).

The halal food sector shares common standards with other conventional food sectors in terms of marketing, nevertheless has an explicit set of certain implications, in which moslem consumers are comparable to some of the other consumer groups in terms of demand for nutritious and superior food products. The difference comes from the need of compliant products (halal) (Cloud *et al.*, 2015). According to Salehudin and Mukhlis (2012), halal marketing is the development of the concept of conventional marketing by adding aspects of compliance with Islamic sharia in the process of forming value for consumers. Therefore, it is important to look at each of the four tools of the marketing mix that can be used to satisfy customers and company goals as a way to evaluate their customers, how they respond according to the company's marketing strategy. Thus Salahudin and

Mukhlis (2012) added that the scope of Halal Marketing is not only on the aspect of product (ie not containing the elements or raw materials that are forbidden) but also pricing, for example: pricing that does not contain gambling, *gharar* and *riba*) For example: not using fraud or perjury, not using sex appeal in the ads), and also place (for example: not selling at a prohibited place such as a mosque or at a prohibited time such as prayer time).

Perceived quality is the opinion of the consumer against the overall advantage, not the actual product quality, based on the information known to the consumer--intrinsic and extrinsic (Wang and Tsai, 2014). Perceived quality even has a substantial impact on buying interest, poor perceived quality will result in lower buying interest (Santoso, 2016).

Perceived value reflects the difference between expected quality and product benefits at the expense of cost (Wang and Tsai, 2014). Perceived value is positive when the value of quality is higher than the cost incurred. So perceived value can be an important indicator in predicting purchase intention.

## Method

This research is to analyze factors influencing consumer purchase intention on processed food products that are marketed in supermarkets. The analysis used halal certification, halal awareness, and brand image as independent variables. Analytical tool used is Structural Equation Modeling. This study analyzes processed food products marketed in two Hypermarket namely: Giant and Hypermart, two supermarkets namely Superindo and Yogya, and two minimarkets namely Alfamart and Indomart in Jakarta, Bogor, Depok, Tangerang, and Bekasi.

Then, a descriptive analysis is used to describe and explain the consumer characteristics of the processed food product. After obtained the result of analysis from SEM and descriptive analalis then arranged managerial implication and recommendation addressed to processed food producer. The research framework is presented in figure 2.

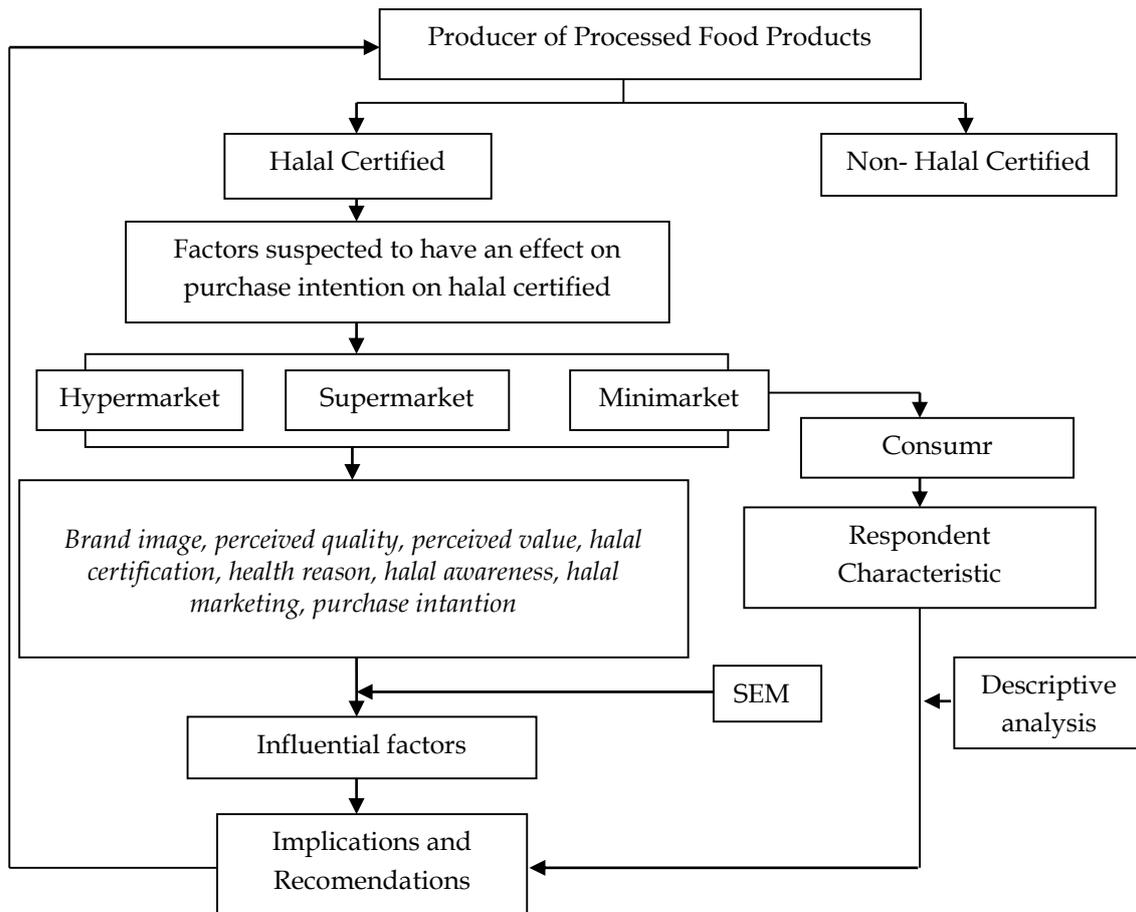


Figure 2. Research Framework

**Hypothesis**

- H1 : *Brand image has a positive effect on perceived quality.*
- H2 : *Brand image has a positive effect on perceived value.*
- H3 : *Food safety has a positive effect on health reasons.*
- H4 : *Halal awareness has a positive effect on purchase intention.*
- H5 : *Halal certification has a positive effect on brand image.*
- H6 : *Halal marketing has a positive effect on brand image.*
- H7 : *Halal marketing has a positive effect on purchase intention.*
- H8 : *Health reasons has a positive effect on purchase intention.*
- H9 : *Perceived quality has a positive effect on perceived value.*
- H10 : *Perceived value has a positive effect on purchase intention.*

Based on the hypothesis above, it can create a description of research model of structural equation modeling. The research model is presented in figure 3.

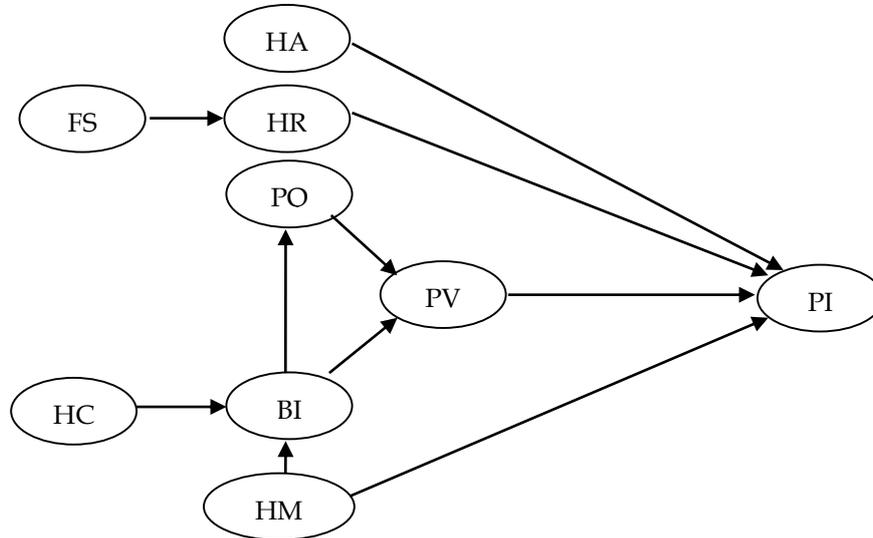


Figure 3. Research Model

*Description:*

HA (*halal awareness*), FS (*food safety*), HR (*health reason*), PQ (*perceived quality*), PV (*perceived value*), BI (*brand image*), HC (*halal certification*), HM (*halal marketing*), PI (*purchase intention*).

The data used are primary and secondary data. Primary data obtained from the survey to the object of research. The object of the research is consumers who buy processed food products on supermarkets and minimarkets in the area of Jakarta, Bogor, Depok, Tangerang, and Bekasi. The study is conducted for one month using questionnaires to the respondents directly and distributed questionnaires directly to the respondents and online through google form application spread through social media. While the secondary data obtained from various sources of literature, whether in the form of books, journals, previous research, internet and relevant data related to this research. In the questionnaire, the scale used is Likert scale based on the level of respondent approval on each indicator (1-6).

## The Analysis of Structural Equation Modeling (SEM)

Ghazali (2008) explained that Structural Equation Modeling (SEM) is a model of structural equation which is a simultaneous equation that focuses on the predictions which is capable of describing latent variables (indirect measurable) and indirectly measured based on indicators (manifest variables). SEM for social science researchers provides the ability to provide path analysis with latent variables. SEM analysis has a higher flexibility for researchers to link existing theory.

According to Latan (2013), SEM is the second generation multivariate analysis technique that links between factor analysis and path analysis to allow researchers to simultaneously test and estimate the relationship between multiple exogenous and endogenous variables with many factors. Thus, SEM can be used to address various research problems in a systematic and comprehensive set of analyzes.

Thus, there are at least two research problems to be answered through this SEM (Kusnendi, 2008). First, the problem of descriptive research, the description empirically confirms the suitability of the construct model which is seen according to the indicators conceived as the manifest of the construct. And second, the problem of explanatory research, explaining the causal relationship between latent variables. This second problem is called a structural model. Analyzed in SEM is the relationship between the latent variable (unobserved variable) and not between the manifest variable or between the indicator variables (observed variable).

Table 1. Operational Variabel

Variabel	Indicator	Code	Scale
Halal Awareness (Awan, 2015)	a. The certainty of halal products	HA1	Ordinal
	b. The halal responsible	HA2	
	c. Supermarkets that are responsible for halal products	HA3	
	d. Purchase halal products if there is a halal label	HA4	

Variabel	Indicator	Code	Scale
Halal Certification (Awan, 2015)	a. Halal certification and logos are used to ensure halal product	HC1	Ordinal
	b. Halal certification increases halal production in the market	HC2	
	c. The appeal of halal logo	HC3	
	d. The knowledge of fake halal logo	HC4	
Halal Marketing (Awan, 2015)	a. Brand ambassador	HM1	Ordinal
	b. Familiar brand	HM2	
	c. Halal product price	HM3	
	d. Marketing promotion	HM4	
Brand Image (Yeh, 2015)	a. The distinction between other brands	BI1	Ordinal
	b. Recommended brand	BI2	
	c. Recognize brand (name, logo, slogan)	BI3	
	d. Post-purchase public thinking	BI4	
Food safety (Rijswijk, 2008)	a. Expired date	FS1	Ordinal
	b. Warranty	FS2	
	c. Good condition	FS3	
	d. Product origin	FS4	
Perceived Quality (Aziz and Chok, 2013)	a. Offers benefits that are not offered by other competing (non-halal) products	PQ1	Ordinal
	b. Excellence for competing products (non-halal)	PQ2	
Perceived Value (Wang, 2015)	a. Halal products as a favorite purchase	PV1	Ordinal
	b. The price of the product in accordance with the product value	PV2	
	c. Halal products in accordance with the quality	PV3	
Health Reason (Ambali and Bakar, 2013)	a. Consume halal food can prevent illness	HR1	Ordinal
	b. Consume halal food for a better diet.	HR2	
	c. Halal food is healthy	HR3	
Purchase Intention (Aziz and Chok, 2013)	a. Choose a halal product is a good idea	PI1	Ordinal
	b. Families prefer halal products	PI2	
	c. Prefers to choose halal products	PI3	
	d. Recommend halal products	PI4	

## Result and Discussion

### Respondent Characteristic

This study uses a questionnaire in the form of questionnaires to obtain data from each variable contained in the research model. The number of questionnaires successfully collected after verification, only 193 questionnaires can be continued in data processing. Table 2 presents the description of respondents based on the criteria of domicile areas, gender, age, last education, occupation, and income per month.

Table 2. Respondent Characteristic

Characteristic	Description	Quantity (People)	Percentage (%)
Domicile Area	Jakarta	16	8.3
	Bogor	149	77.2
	Depok	13	6.7
	Tangerang	8	4.2
	Bekasi	7	3.6
Gender	Male	62	32.1
	Female	131	67.9
Age	17-25 y.o	81	42.0
	26-35 y.o	73	37.8
	36-45 y.o	24	12.4
	46-55 y.o	14	7.3
	> 55 y.o	1	0.5
Education	Elementary School	11	5.7
	Junior High School	7	3.6
	Senior High School	41	21.2
	Diploma Degree	9	4.7
	Bachelor Degree	102	52.8
	Master Degree	23	11.9
	Doctoral Degree	0	0
Occupation	Government employees	7	3.6
	Private employees	66	34.2
	Housewife	43	22.3
	Student	58	30.1
	Others	19	9.8
Income per month	< IDR 1,000,000	66	34.2
	IDR 1,000,000 - IDR 3,000,000	60	31.1
	IDR 3,000,000 - IDR 6,000,000	36	18.7
	> IDR 6,000,000	31	16.1

Source: Processed Data (2017)

Respondents are people from Jabodetabek area (Jakarta, Bogor, Depok, Tangerang, and Bekasi). Respondents from Jakarta are 16 people (8.3%), Bogor with 149 people (77.2%), Depok with 13 people (6.7%), Tangerang with 8 people (4.1%) and Bekasi with 7 people (3.6%). Based on gender, most respondents are female (67.9%). They are divided into five age groups. Age

group of 17-25 years old (42.0%) and age 26-35 years (37.8%) dominated the respondents.

In terms of education, most respondents are bachelor graduates as much as 52.8% followed by high school graduates as much as 21.2%. They work as private employees (34.2%), government employees (3.6%), housewives (22.3%), students (30.1%) and others (9.8%). Based on the income per month, the respondents are dominated by those with income less than 1,000,000 IDR (34.2%) and income between 1,000,000 IDR and 3,000,000 IDR (31.1%).

### **The Analysis of *Structural Equation Modeling***

The analysis in SEM model can be divided into two stages namely measurement model and structural analysis model. The purpose of doing the measurement model is to find out how strong the manifest variable describes each exogenous and endogenous latent variable. The purpose of analyzing the structural model is to know the correlation of exogenous latent variable with endogenous latent variable.

The PLS-SEM assessment usually follows a two-step process involving a separate assessment of the model's measurement of a structural model (Heir, 2011). Analysis of the model of measurement or outer model is done through confirmatory analysis with convergent validity test, and composite reliability test (Mulyono, 2016).

The reflective measurement model should be assessed with focus on their reliability and validity (Heir, 2011). According to Asyraf (2013), the value of this indicator is acceptable when the outer loading value is 0.50 or higher to maintain the measurement model. The value of outer loading for each research variable can be seen in table 3.

Based on the analysis, it is known that the value of outer loading for all indicators used in this study is above 0.5. This indicates that the indicators can reflect the variables and are declared valid. Based on the results of the outer

loading values listed in table 3, indicate that all indicators are declared valid for use in research.

Table 3. Outer Loading Value

Laten Variable	Indicator	Outer Loading	Laten Variable	Indicator	Outer Loading
<i>Brand Image</i>	BI1	0.568	<i>Health Reason</i>	HR1	0.865
	BI2	0.781		HR2	0.616
	BI3	0.833		HR3	0.893
	BI4	0.709			
<i>Food Safety</i>	FS1	0.816	<i>Perceived Quality</i>	PQ1	0.853
	FS2	0.872		PQ2	0.910
	FS3	0.870			
	FS4	0.761			
<i>Halal Awareness</i>	HA1	0.890	<i>Perceived Value</i>	PV1	0.724
	HA2	0.799		PV2	0.758
	HA3	0.688		PV3	0.791
	HA4	0.805			
<i>Halal Certification</i>	HC1	0.779	<i>Purchase Intention</i>	PI1	0.860
	HC2	0.885		PI2	0.866
	HC3	0.869		PI3	0.932
<i>Halal Marketing</i>	HM1	0.636		PI4	0.730
	HM2	0.808			
	HM3	0.575			
	HM4	0.569			

Source: Processed Data (2017)

In addition, the convergence validity test also see the value of Average Variance Extracted (AVE). AVE value is acceptable when value is greater than 0.50 AVE values of 0.50 and higher, indicating a sufficient level for convergent validity, meaning that latent variables account for more than half of the diversity of indicators.

Furthermore, the measurement consistency level (reliabilitas) is tested with composite reliability. High reliability shows that indicators have a high consistency in measuring latent variables. In addition to composite reliability, reliability can also be seen from the value of composite reliability and cronbach's alpha is good if it has a value greater than 0.6. Therefore, all requirements for convergent test, construct reliability, cronbach's alpha or internal reliability are achieved. The value of AVE, composite reliability, and cronbach's alpha can be seen in table 4.

Table 4. The Value of *Cronbach's Alpha*, *Composite Reliability*, and *AVE*

	<i>Cronbach's Alpha</i>	<i>Composite Reliability</i>	<i>Average Variance Extracted (AVE)</i>
Brand Image	0.705	0.817	0.532
Halal Awareness	0.851	0.899	0.690
<i>Food Safety</i>	0.811	0.875	0.638
Halal Certification	0.800	0.883	0.715
Halal Marketing	0.562	0.746	0.428
Health Reason	0.711	0.840	0.642
Perceived Quality	0.630	0.802	0.574
Perceived Value	0.717	0.875	0.778
Purchase Intention	0.870	0.912	0.723

Source: Processed Data (2017)

Based on the value of AVE, convergence validity test indicators reflect that latent variables are expressed to have validity, unless the halal marketing variables have an AVE value of 0.428. Meanwhile, from Table 4 it can be seen that all latent variables in this study have composite reliability value above 0.6 and cronbach's alpha value above 0.6 so it can be stated that the variables used are reliable. But on the halal marketing variables, cronbach's alpha value for each is 0.562, while the value of composite reliability shows the value above 0.6 so that this variable can still be declared quite reliable. This means that the indicators used in the study have a good consistency in measuring the latent variables.

### Structural Model Analysis

Structural model analysis is performed to analyze and discuss the influence of exogenous latent variables on endogenous latent variables. The result of structural model analysis using t-count value is shown in table 5 and figure 4.

The results illustrate that there are seven accepted hypotheses and three hypotheses rejected. The hypothesis is accepted if the t-statistic value is more than t-table. The t-table value specified is 1.96 based on  $\alpha = 5\%$ .

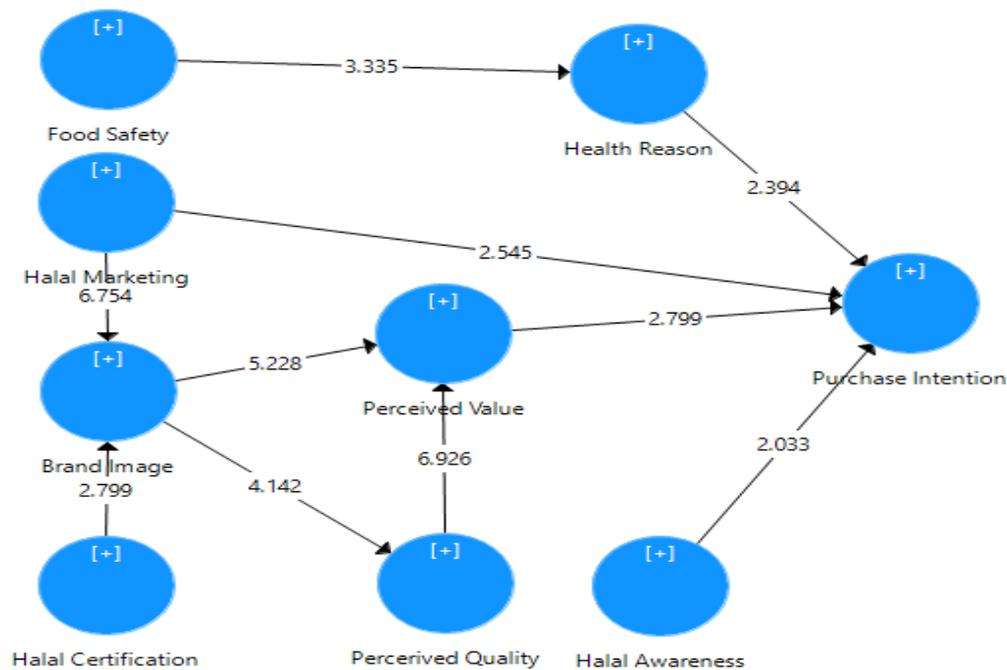
Figure 4. The Result of Structural Model *Bootstrapping*

Table 5. The Result of Structural Model Analysis

Hypothesis	Path	T Statistics	Coefisien	Effect	Hypothesis Decision
H1	<i>Brand Image</i> → <i>Perceived Quality</i>	4.142	0.395	Significant and Positive	Accepted
H2	<i>Brand Image</i> → <i>Perceived Value</i>	5.228	0.306	Significant and Positive	Accepted
H3	<i>Food Safety</i> → <i>Health Reason</i>	3.335	0.306	Significant and Positive	Accepted
H4	<i>Halal Awareness</i> → <i>Purchase Intention</i>	2.033	0.200	Significant and Positive	Accepted
H5	<i>Halal Certification</i> → <i>Brand Image</i>	2.799	0.267	Significant and Positive	Accepted
H6	<i>Halal Marketing</i> → <i>Brand Image</i>	6.754	0.468	Significant and Positive	Accepted
H7	<i>Halal Marketing</i> → <i>Purchase Intention</i>	2.545	-0.180	Significant and Negative	Accepted
H8	<i>Health Reason</i> → <i>Purchase Intention</i>	2.394	0.210	Significant and Positive	Accepted
H9	<i>Perceived Quality</i> → <i>Perceived Value</i>	2.799	0.227	Significant and Positive	Accepted
H10	<i>Perceived Value</i> → <i>Purchase Intention</i>	6.926	0.451	Significant and Positive	Accepted

Source: Processed Data (2017)

*The Effect of Brand Image on Perceived Quality*

Table 5 explains that the brand image has a positive effect on perceived quality, with a t value of 4.142. These results are consistent with Wang and Tsai's findings (2014). This shows that halal food products with brands and which have been widely recognized and considered good after purchase as a very strong factor reflects the image of the brand. So, the better the brand image of a halal food product, the better the consumer's perception of product quality.

*The Effect of Brand Image on Perceived Value*

Based on research conducted by Wang and Tsai (2014), brand image gives positive influence to perceived value. In this study, similar results also found that the brand image gives a positive effect on perceived value, shown with a t value of 5.228. It is increasingly convincing that the better the brand image of halal food products will increase the perception of the value of a good product in the eyes of consumers.

*The Effect of Halal Awareness on Purchase Intention*

Based on the results in table 5, it can be seen that halal awareness has a significant positive effect on purchase intention. The t value is 2.033, because it has a value > 1.96, so the hypothesis decision is accepted. It means that the awareness of muslim society to buy halal processed food products is high. This is in line with previous research conducted by Hamdan *et al.* (2013) and Aziz and Chok (2013), although different from the results shown by Cloud *et al.* (2015) which states halal awareness has no significant effect.

*The Effect of Halal Marketing on Purchase Intention*

The results show that halal marketing has a significantly negative effect on halal marketing, with a value of t that is 2.545 and the coefficient of -0.180. This finding is inconsistent with the findings of Cloud *et al.* (2015). This suggests that people buying halal food products do not see the brand ambassador and prices that become indicators of marketing variables to influence people in buying halal food. Halal food demanded to be purchased

because it is halal, not because of the marketing process offered. So this result shows that in the process of marketing halal food products, should be more emphasis on promoting halal products than the reliability of promotions with brand ambassador and prices.

#### *The Effect of Health Reason on Purchase Intention*

In a previous study conducted by Hussain *et al.* (2016), showed that health is a factor affecting purchase intention. The results showed that the health reason variable showed a positive value and significant effect on purchase intention. This suggests that people buy halal food because they believe that by consuming halal food can prevent from illness, have a better and healthier diet. So, this reason can encourage them to purchase halal processed food products.

#### *The Effect of Perceived Quality on Perceived Value*

Based on research by Wang and Tsai (2014), perceived quality has a positive effect on perceived value. In this study, a similar result also found that perceived quality has a positive effect on perceived value, indicated by a t value of 2,799. These results show the consumer's perception of the quality of halal food products is directly proportional to the perception of the value of these halal food products. So the better perceived quality, the better perception of the value is.

#### *The Effect Perceived Value on Purchase Intention*

Based on the result, perceived value gives a positive effect to purchase intention, with t value of 6.926. The results of this study is supported by the Wang and Tsai (2014) that shows similar results. In this case, a good value perception can encourage consumers to make purchases. The perceived value is that halal food is a favorite of purchase, the price of the food is in the value, and has the corresponding value.

The evaluation of indirect effect is conducted to determine the effect of moderation variables among exogenous and endogenous variables. The results of indirect effect evaluation are presented in table 6.

Table 6. Indirect Effect Value between Variables

Relationship between variables	Indirect Effect Value
BI → PI	0.110
FS → PI	0.064
HC → PI	0.029
HM → PI	0.052
PQ → PI	0.103

Source: Processed Data (2017)

Food safety, halal certification, brand image and perceived quality have no direct effect on purchase intention. Food safety variables have an indirect effect on purchase intention through health reason of 0.064. This means that food safety factors increase health reasons for consumers in choosing halal food products, although many of the consumers do not directly pay attention to food safety in determining the purchase.

Halal certification and halal marketing also has an indirect effect on purchase intention through brand image variables in sequence 0.029 and 0.052. Although halal certification does not directly affect consumer purchase intention, halal certification can improve the brand image of food products. With the existence of halal certification, brand image of food products will be better especially among moslem consumers.

Brand image and perceived quality have no direct effect on purchase intention. Brand image variable has an indirect effect on purchase intention through perceived value and perceived quality of 0.110. Similarly, perceived quality has indirect effect on purchase intention of 0.103. This is in line with the study conducted by Wang and Tsai (2014) where although the brand image has no direct effect on purchase intention significantly, it still has an indirect effect on purchase intention.

Based on the results of this study, shows that some research variabel directly affect buying interest. Therefore, some managerial implications can be made to increase consumer buying interest in halal food products.

In the process of halal food products marketing, manufacturers do not need to highlight brands, brand ambassador (celebrity endorsement), prices, and other sales promotions. Therefore, the most important thing is to show the halal of the product. For the government, the Indonesian Council of Ulama (MUI), it is necessary to continuously improve the socialization of halal-certified products. It is also necessary to socialize the official halal logo used by domestic products and imported products.

## **Conclusion**

The result using SEM-PLS showed that the variable of halal awareness, health reason, and perceived value showed a significant and positive influence on purchase intention. This shows the higher consumer awareness of halal product, health and perceived value increasingly encourage consumer interest to buy halal food products. Of the three variables that have the most influence is the health reason variable with a t value of 2.253. As for halal marketing gives a significant but negative effect which means that the marketing process is necessary but not necessarily accentuate the elements of brand ambassadors and prices. Halal marketing also gives a significant and positive influence on brand image. While the food safety variable, halal certification, brand image, and perceived quality have no direct effect on purchase intention. Food safety has an indirect effect on buying interest through health reason. Halal certification has an indirect effect on buying interest through brand image variables. Meanwhile, brand image, and perceived quality have indirect effect through perceived value variable to purchase intention, meaning that brand image and good quality perception will encourage increasing perception of value from product, increasing perception of this value that can increase consumer purchase intention.

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