

## **HALAL AWARENESS AND PURCHASE INTENTION ON HALAL PRODUCTS AMONG PUBLIC SERVANTS IN KEDAH**

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### **Abstract**

Muslim consumers face a wide variety of products and services. Each product category offers many various brands. Several local brands appear to capture their niches by projecting themselves as “Islamic” brands via their creative packaging and labeling works. This study aims to observe Muslims’ awareness of *halal* products among public servants in Kedah. This study distributed questionnaires to 150 public servants in Kedah based on a random sampling method, and 122 questionnaires were used in the analysis. This study reveals that *halal* awareness and religious belief significantly influences purchases intention of *halal* products among public servants in Kedah

**Keywords:** Awareness, Halal, Consumer, Purchase Intention

### **1. INTRODUCTION**

Despite the COVID-19 pandemic, 1.9 billion Muslim consumers continue to emerge as significant forces in the global consumer landscape. The world population is estimated at 7.8 billion, and Muslims constitute almost 25% of the world population. A report by Pew Research has forecasted that the Muslim population is projected to increase to 2.8 billion in 2050. In Malaysia, Muslims made up more than 60% of the latest estimated 32 million people. Damit et al. (2019) asset that even non-Muslim consumers have more inclination towards halal products. The *halal* food market is expected to continue with its torrid growth rate to the approximate size of USD9.17 trillion by 2025 (Shaari et al. 2020).

*Halal* is one of the essential concepts for Muslims in Malaysia, and the issue of *halal* has become consumers' concern. The word *halal* literally means permissible. The Department of Islamic Development Malaysia (JAKIM) is responsible for the certification of *halal* products. The antonym to *halal* is *haram*, which suggests unlawful and forbidden. Within the Malaysian Muslim majority, the concept of *halal* is an absolute key to consumption. Muslim consumers nowadays are faced with a broad selection of products and services.

On top of that, each product category offers various brands, either locally named or internationally recognized ones. A few local brands appear to capture their niches by projecting themselves as "Islamic" brands via their creative packaging and labeling works. It also indirectly signals to their primary target, the Muslim consumer, the *halal* status of their products.

## **2. LITERATURE REVIEW**

### **Halal Awareness**

The *Qur'an* has a specific guideline on what is *halal* and what is *haram*. Ambali & Bakar (2014) reiterate that the *Qur'an* and the *Sunnah* have provided clear guidelines to Muslims on the prohibition (*haram*) and permissible (*halal*) consumption. In general, the concept of *halal* and *haram* apply to the whole aspects of Muslim daily lives. *Halal* would mean any behavior or activities allowed or permissible by Islam. *Haram*, on the other hand, refers to prohibited behavior and actions. Islamic jurists make the ruling of *halal* and *haram* based on *Shari'ah* sources such as the *Qur'an*, the *Sunnah*, the *Ijma'*, and the *Qias*. Despite the totality nature of the *halal* concept, the concepts of *halal* and *haram* in this study are restricted only to food edible products.

*Halal* can be defined as permitted or allowed to Muslims (Berry, 2000; & Dwyer, 2002). Ambali and Bakar (2014) described *halal* awareness as having a particular interest in or knowledge of food, beverages, and *halal* products. Except for pork and its by-products, and some specific products, most meat and vegetables are considered *halal*. In Islam, food and products can be divided into categories between *halal* and *haram*; *Mubah* and *makruh* fall in between (Eliasi & Dwyer, 2002). The *halal* products must follow the conditions in which the ingredients or components do not contain any parts from the animals that are not *halal* to be eaten or used by the Muslims.

### **Islamic Religious Belief**

Religion plays an essential role in influencing consumer attitude and behavior due to the nature of human beings, where their attitudes and behavior are based on their belief or religion. Essoo & Dibb (2004) stressed that religion dictates consumers' choice of food, grocery products, and other products.

On the other hand, religiosity represents the level of devoutness of a particular person in his religion. Previous studies have shown that religiosity is a faith in God and promise to pursue

philosophy set by God and therefore will affect behavior and attitude (Conrad, 2004). Hence, the religiosity of consumers has become a vital part of marketing, especially in advertisement (Froehle, 1994).

Weaver and Agle (2002) stress the substantial impact on consumers' behavior and attitude that religiosity has. The study of religiosity in the Muslim context has recently gained interest from academics and business practitioners worldwide (J.A. Wilson, 2012). The religiosity of Muslims determines their intention to consume products that comply with *Shari'ah* (Soesilowati E.S., 2012).

### **The Theoretical Framework of the Study**

The study's conceptual framework was adapted from the Theory of Planned Behavior (TPB) developed by Ajzen (1991). TPB was designed to conceptualize, measure, and empirically identify factors that determine behavior and behavioral intention (Ajzen, 1991). Ajzen (1991) defines intention as the probability of a dimension that involves the relationship between himself and some action. According to TPB, behavior is determined by the individual's intention to perform the behavior. Three factors determine the intention; attitudes toward the behavior, which are influenced by beliefs needed to engage in the conduct; subjective norm, the social pressures to perform or not to perform the behavior and perceived behavioral control, which refers to people's perceptions of their ability to perform a given behavior. Damit et al. (2019) and Bakar, Shahwahid & Eksan (2018), among others, have adopted the Theory of Planned Behavior in understanding halal purchase intention and behavior.

The TPB construct is a cognitive model of human behavior derived from the extension of TRA (Fishbein and Ajzen, 1975). In the TPB Model, the leading independent constructions are Attitudes, Subjective Norms, and Perceived Behavioral Control which predict behavioral intentions Ajzen (, 1991). The intention is defined as a plan to perform certain behaviors and the most important factors to predict behavior directly Ajzen (, 1991). Behavioral intentions are the leading indicators of actual purchases (M. Fishbein and I. Ajzen, 1975). Purchase intention in this study is the purchase intention of Muslim consumers towards *halal* products. This study hypothesizes that *halal* awareness and Islamic religious belief among Muslim public servants significantly influence purchasing intention toward *halal* products.

### **3. METHODOLOGY**

This study made a systematic plan to ensure that the data collected was accurate and adequate. In this study, 150 questionnaires were distributed to schoolteachers in public primary and secondary schools in Kedah state based on a random sampling method. One hundred thirty-seven questionnaires were returned (91.33% respond rate), and 122 were usable. SPSS 18 was employed for path analysis. From the study's theoretical framework, as shown in Figure 1, Halal Awareness and Islamic religious belief are independent variables, and purchase intention is the dependent variable.

Each variable was measured as follows: All variables were measured using 7- points interval scale; Awareness (10 items) adapted from (Ambali & Bakar, 2012), religious belief (9 items) adapted from (Albelaikhi,1997), and (9) items purchase intention adapted from Chen (2007) as exogenous variables measured by 7-point interval-scale of (1) strongly disagree to (7)- strongly agree). The internal consistency (Cronbach's alpha) values for each study's instrument are shown in Table 1. All instruments used in this study have a high level of consistency ( $\alpha > 0.8$ ).

**Table 1** Internal Consistency of Study's Instrument

Variable	$\alpha$	Consistency
Halal awareness	0.874	High
Islamic religious Belief	0.880	High
Purchase intention	0.880	High

There are also six demographic questions included in the instrument, which use an ordinal and nominal scale such as gender, age, marital status, race, education level, and annual income.

The respondents of this study ranged from age twenty years old to sixty years old. Only 40.2% of the respondent aged from 20-29 years old. Meanwhile, 31.1% of the respondents were between 30-39 years old. Then followed by respondents who were between 40-49 years old (18.0%), and finally 50-59 years old (10.7%). The sample size was randomly selected and consisted of both male (31.1%) and female (68.9%) teachers in public schools. Most of them were married (52.5%). The racial compositions in this study were 97.5% Malay because this study was designed to explore the influence of awareness and religious belief on intention to buy.

The collected data were analyzed using path analysis, an extension of linear regression analysis. Regression analysis estimates the causality relationship between variables (causal models) previously determined based on theory. This study obtained path analysis to assess the influence of *Halal* Awareness ( $X_1$ ) Islamic Religious Belief ( $X_2$ ) on Purchase Intention ( $Y_2$ ). This study employs SPSS Version 18.0 to input analyze the data.

Figure 1 Research Framework

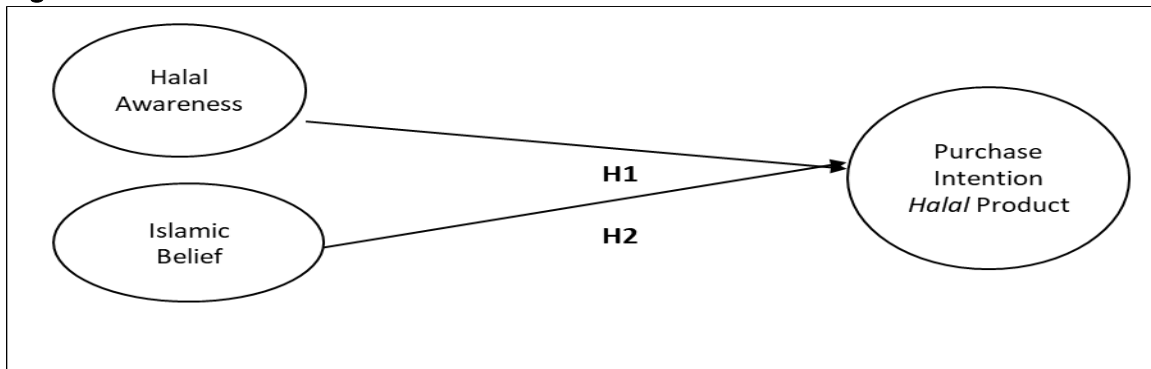


Figure 1: Theoretical Framework of the Study

### Research Hypotheses

The hypotheses of the study are;

H<sub>1</sub>: *Halal* awareness among Muslim public servants significantly influences purchase intention toward the *halal* product.

H<sub>2</sub>: Islamic religious belief among Muslim public servants significantly influences purchase intention toward *halal* products.

### 4. RESULTS

To get rid of outliers, data cleaning was done and 15 cases (8, 11, 15, 19, 21, 25, 28, 34, 47, 51, 63, 78, 80, 88, 90) were excluded. This study also performed the normality test on every item. This study used CDFNORM to transform items that were not normal.

The revised model achieved the goodness criteria is shown in Table 1.

Table 1: Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.545	.298		5.178	.000
awareness	.382	.064	.471	6.001	.000
Islamic Religious Belief	.316	.059	.423	5.384	.000

a. Dependent Variable: Intention

The finding supports two significant direct effects in the revised model, thus keeping the hypothesis regarding the halal awareness belief on purchase Intention among public servants on halal products is positive significant ( $\beta= 0.382$ , Sig <0.000) and religious belief is positive significant ( $\beta= 0.316$ , Sig <0.000).

In the results of testing the H<sub>1</sub>, the hypothesis is accepted, which means that *halal* awareness variables significantly affect the purchase intention among public servants in Kedah. The direct effect of the *halal* awareness variable on the purchase intention variable is equal to 0.382. This result shows that the influence of *halal* awareness can impact buying intention toward the *halal* product.

The H<sub>2</sub> is accepted, indicating that the effect of the Islamic religious belief variable significantly impacts the purchase intention among public servants in Kedah. It has direct effect coefficients of Islamic religious belief on purchase Intention of halal product is 0.316. The result shows that the level of religiosity of Muslim consumers in Kedah will influence the *halal* products purchase intention.

## **5. DISCUSSION**

This study has established one direct causal effect; *halal* awareness and religious belief significantly influence purchase intention. Thus, both H1 and H2 are supported. The impact of *halal* awareness and Islamic religious belief on purchases intention among public servants was concurred with past studies by Hasan (2016). The case of *halal* awareness on purchase intention shows when *halal* awareness is high, that can influence the purchases intention of *halal* products. In conclusion, purchases intention of *halal* product among public servants in Kedah were influenced by Islamic religious belief and *halal* awareness.

One major limitation of this study is the questionnaires are self-reported. Individuals are likely to portray themselves as more than they are. It is not a significant problem for the study as the focus is on relative and not absolute scores. Future research should address the issues of any discrepancies between self-reported intention to buy and observed awareness behaviors among them. The study also provides some practical implications.

This study offers some practical implications such as the positive relationship between halal awareness and Islamic religious belief, the importance of the *halal* Malaysia logo towards food products, and online and traditional media tools to educate and create awareness among Muslim consumers. However, the respective board and the government must find a way on how to reduce the number of fake *halal* logos and dubious *halal-certified* companies in Malaysia to protect the *halal* food industry, especially in the local market by Che Kifli (2009) and Yusuf, Abdul Shukor, and Ahmad Bustamam (2016).

*Halal* is not only a concept but also creating a system. Muslim consumers demand halal products considered *fardhu ain* (individual obligatory duty). The manufacturer supplies or delivers the products by following specific guidelines prepared by the respective authority; it is the *fardhu kifayah* (obligatory duty). Since the consumers are attached to the online information, online and mobile applications can be included for future research. Future studies should further examine how far information, communication, and technology (ICT) contribute to *halal* industry development.

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