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Perceptions On Halal Labels Impact On Purchase Decisions With Brand Image As Intervening Variables: A Consumer Study Of Solaria Restaurants In Jakarta

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Abstract — This study aims to examine the impact of halal labels on purchasing decisions with brand image as an intervening variable on Solaria restaurant consumers in Jakarta. This quantitative study was conducted using a questionnaire, the questionnaire as a research instrument using a Likert scale. Determination of the research sample using purposive sampling, with the criteria of Solaria restaurant consumers in the last year located in Jakarta and willing to fill out the questionnaire given by the researcher. From the distribution of data, 80 questionnaires were collected which were suitable for further processing. The collected data is processed using SmartPLS software. The results showed that the halal label and brand image had a significant effect on purchasing decisions, brand image brand image was a significant mediating variable between the influence of halal labels on purchasing decisions.

Keywords: Halal Labels, Purchase Decision, Brand Image.

I. INTRODUCTION

The range of culinary enterprises that we can discover in Indonesia, ranging from stalls, restaurants, cafés, and various types of international franchises that are in the culinary sector, show how quickly the culinary industry is developing there. The nation's café industry is one of the more lucrative companies because of how quickly it is expanding. There is enormous opportunity for the Indonesian food business to expand. According to the Creative Economy Agency of the Republic of Indonesia, the culinary sub-sector contributed 41.4 percent, or over 383 trillion rupiah, of the creative economy's overall contribution worth 922 trillion rupiah in 2021. The role of cuisine, which is no longer just for food, is one of the factors contributing to the growth of the culinary business in Indonesia. serve basic human needs, but now it's believed that cooking can also enhance the way of living in today's culture.

The process of deciding whether or not to make an actual purchase is called the buying decision. Consumer purchasing decision-making is a process of choosing one of several alternative problem-solving with actual follow-up among the various elements that influence customers to purchase a good or service. The consumer can then assess their decision and decide what attitude to adopt next. Consumers' internal or external influences, such as external stimuli applied by business actors, might influence their decisions to buy. According to Wahyurini and Trianasari (2020), purchasing decisions are a small aspect of a much bigger buyer decision-making process that starts with identifying needs and ends with post-purchase behavior.

Making a decision to purchase a product is an individual behavior that is directly related to obtaining and using it. A buying decision process is focused on the role in the purchase as well as the decision to buy rather than just being aware of some of the elements that impact the buyer. Purchasing goods and services to satisfy customer wants is a process for solving problems, because the label can be an identification connected to the product or a component of the packaging, it is the component of a product that conveys spoken information about the goods or about the seller. It is clear from the halal label on the goods that halal is the primary factor in the product selection process, particularly for Muslim buyers. Halal product production is a part of the business' obligation to Muslim customers. Companies in Indonesia must get MUI halal certification in order to reassure consumers that

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the items they eat are halal. According to Yuswohady (2015), the purpose of a halal label is to give consumers peace of mind and protection when using the products they would consume.

In addition to the issue of the necessity for halal guarantees, brand image is a factor that buyers take into account. According to the target audience for a product, a brand image must encompass all internal and exterior personalities that have the power to sway consumers. The brand represents the company's commitment to offering specific perks, privileges, and services to customers. Because they can affect a consumer's preferences or decisions, brands are extremely valuable.

A strong brand can give customers a sense of superiority, which influences their attitudes favorably and boosts the company's sales and financial performance. According to Kotler (2016), brand image is used to distinguish products or services from a seller or group of sellers from rivals. Consumer views of good products and their purchasing decisions will be influenced by brand image for good products and services, which will result in a favorable perception of the brand. Customers will be more confident in their decision and have a high level of trust in the brand if it can consistently live up to consumer expectations and offer guarantees for the quality of its products on every occasion. They will also come to like the brand and think of it as an extension of themselves. Thus, it can be claimed that a quality brand has the power to affect consumers' decisions about which things to buy.

Consumers actually choose items based on their requirements and wishes, which in a product brand depends on the image associated with it. As a result, the company must be able to give the best products that meet customer needs. To sustain market share, businesses must create an image that is more prominent than those of their rivals. To do this, they must convince customers to be loyal by using their products frequently or at the very least to be happy.

II. METHOD

This quantitative research was conducted using a questionnaire, the questionnaire as a research instrument using a Likert scale. Questionnaires were distributed to respondents, namely Solaria restaurant consumers. Determination of the research sample using purposive sampling, with the criteria of Solaria restaurant consumers in the last year located in Jakarta and willing to fill out the questionnaire given by the researcher, from the distribution of data, 80 questionnaires were collected which were suitable for further processing. The collected data is processed using SmartPLS software.

III. RESULT

a. Validity Test

Based on the results of data processing, the following are the results of the validity test in this study.

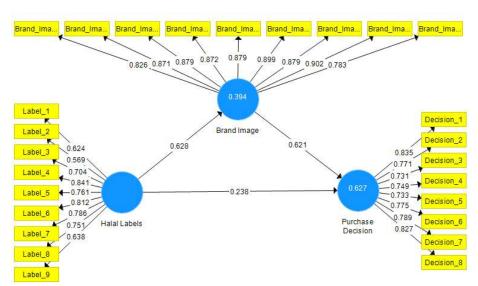


Figure 1. Validity Test Stage 1

Based on Figure 1, there are still some constructs in the research model that are not valid, so proceed to the validity test phase 2.

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Brand_Ima... Brand_Ima... Brand_Ima... Brand_Ima... Brand_Ima... 0.825 0.871 0.879 0.872 0.879 0.899 0.880 0.903 0.782 Decision_1 Brand Image 0.543 0.733 0.87 4-0.778 0.733 -0.823 0.789 Purchase 0.775 Halal Labels 0.826 Decision Decision_7 Decision_8

Figure 2. Validity Test Stage 2

After the phase 2 validity test was carried out, it was seen that all the constructs in the study were valid.

b. Reliability Test

To see the reliability results, it can be seen that the Average Variance Extract (AVE) value must be above 0.5 and the Composite Reliability must be above 0.7 (Ghozali, 2014).

Table 1. Reliability Test

Construct Reliability and Validity

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Brand Image	0.958	0.959	0.964	0.751
Halal Labels	0.884	0.888	0.912	0.634
Purchase Decision	0.906	0.912	0.924	0.604

Based on table 1, it is known that the AVE value is above 0.5 and the Composite Reliability value is above 0.7, so that all variables meet the reliability requirements (Ghozali, 2014).

c. Evaluation of the Measurement Model (Outer Model)

Table 2. Outer Model

Cross Loadings

	Brand Image	Halal Labels	Purchase Decision
Brand_Image_1	0.825	0.416	0.648
Brand_Image_2	0.871	0.402	0.640
Brand_Image_3	0.879	0.484	0.632
Brand_Image_4	0.872	0.454	0.641
Brand_Image_5	0.879	0.535	0.708
Brand_Image_6	0.899	0.442	0.687
Brand_Image_7	0.880	0.491	0.673
Brand_Image_8	0.903	0.537	0.682
Brand_Image_9	0.782	0.450	0.681
Decision_1	0.699	0.437	0.835
Decision_2	0.664	0.392	0.771
Decision_3	0.462	0.476	0.733
Decision_4	0.528	0.348	0.750

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Cross Loadings

	Brand Image	Halal Labels	Purchase Decision	
Decision_5	0.495	0.361	0.733	
Decision_6	0.624	0.594	0.775	
Decision_7	0.581	0.433	0.789	
Decision_8	0.672	0.462	0.826	
Label_3	0.527	0.712	0.425	
Label_4	0.375	0.871	0.427	
Label_5	0.353	0.778	0.334	
Label_6	0.447	0.823	0.483	
Label_7	0.371	0.808	0.403	
Label_8	0.464	0.775	0.569	

Based on Table 2, it can be concluded that each latent variable is able to predict the size of each block better than other block sizes, so that the evaluation of the measurement model (outer model) with discriminant validity is valid.

d. Evaluation of the Structural Model (Inner Model)

Table 3. Inner Model

R Square

	R Square	R Square Adjusted
Brand Image	0.294	0.285
Purchase Decision	0.624	0.614

f Square

	Brand Image	Halal Labels	Purchase Decision
Brand Image			0.805
Halal Labels	0.417		0.084
Purchase Decision			

Based on table 3, from R Square Adjusted it can be concluded that 61.4%, purchase Decision can be explained in this model.

e. Hypothesis Test

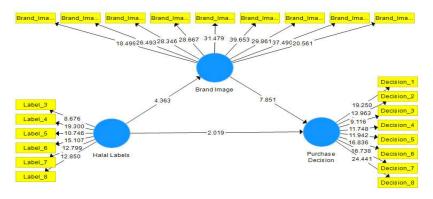


Figure 3. Bootstraping

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Table 4. Hypothesis Test

Path Coefficients

Mean, STDEV, T-Values, P-Values

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Brand Image -> Purchase Decision	0.655	0.671	0.083	7.851	0.000
Halal Labels -> Brand Image	0.543	0.562	0.124	4.363	0.000
Halal Labels -> Purchase Decision	0.211	0.203	0.105	2.019	0.044

Based on the results of statistical tests in Table 4, it can be described as follows.

- 1. Effect of halal label on brand image
 - Based on statistical calculations, the sig value is 0.000, smaller than the significance level of 0.05 (0.000 < 0.05), thus it is concluded that the halal label has a significant effect on brand image.
- 2. Effect of halal label on purchasing decisions
 - Based on statistical calculations, the sig value is 0.044, smaller than the significance level of 0.05 (0.044 < 0.05), thus it is concluded that the halal label has a significant effect on purchasing decisions
- 3. The influence of brand image on purchasing decisions
 Based on statistical calculations, the sig value is 0.000, smaller than the significance level of 0.05 (0.000 < 0.05), thus it is concluded that brand image has a significant effect on purchasing decisions

Specific Indirect Effect is used to show the strength of the effect or indirect effect of the independent variable on the dependent variable through the intervening variable.

Table 5. Measuring the Mediation Effect

Specific Indirect Effects

Mean, STDEV, T-Values, P-Values

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Halal Labels -> Brand Image -> Purchase Decision	0.355	0.379	0.106	3.362	0.001

Based on the calculation of the Specific Indirect Effect, brand image is a significant mediating variable between the influence of the halal label on purchasing decisions.

IV. DISCUSSION

The halal label is a guarantee for Muslim consumers in considering their consumption, core research shows that Solaria restaurant consumers feel that the halal label in Solaria restaurants makes them make the decision to shop at Solaria. With the guarantee of halal certification, consumers feel they don't have to be wary of what they eat at Solaria restaurants, because it was previously reported that Solaria uses non-halal oils and seasonings.

Furthermore, Solaria's brand image is already strong as one of the leading restaurants in Jakarta. Consumers admit that when they visit the Mall in Jakarta, Solaria is the main brand that is the main choice as a place to eat

V. CONCLUSION

This study concludes that halal label and brand image have a significant effect on purchasing decisions, brand image brand image is a significant mediating variable between the influence of halal label on purchasing decisions. Indonesia, with the largest Muslim population in the world, requires companies to pay attention to halal labels on products sold to increase sales, in addition, brand image also needs to be considered. Products that are already halal should do branding by displaying the halal label as one of the superior product items, because imaging halal products is one strategy to gain sympathy from Muslim consumers, who are the largest population in Indonesia.

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