Country of Origin, Religiosity and Halal Awareness: A Case Study of Purchase Intention of Korean Food

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Abstracts

This research empirically analyzed whether the foods which came from a non-Muslim majority country, such as South Korea, could play an important role in affecting the consumer intention in a predominantly Muslim country. Online survey methods were used to investigate the proposed hypothesis. 318 responses were used for further analysis. Forty-six reflective constructs were adapted from literature and designed by using a five-point Likert scale to facilitate measurement. Estimation models and structural models were examined through SEM-PLS analysis techniques using SmartPLS 3.0 application as the data processing tool. The results showed that religiosity and halal awareness had a positive and significant effect on attitude toward halal labels, including the mediating effect from consumer attitudes towards halal labels which had a positive but insignificant effect on purchase intention. Halal awareness plays an important role for Muslims in the decision-making process for purchasing food. In contrast to the initial hypothesis, the country of origin actually did not have a positive effect on attitudes towards the halal label. In a Muslim-majority country like Indonesia, findings halal food is not difficult, so this research basically is a reminder to marketers to follow those halal principles in implementing their marketing strategies.

Keywords: Country of Origin, Religiosity, Halal Awareness, Attitude towards Halal Label, Purchase Intention

JEL Classification Code: M21, M30, M31

1. Introduction

Muslims make up a majority of the population in 49 countries around the world. The Muslim population in the world continue to shows a significant growth in recent time. Looking ahead, the Center estimates that by 2050 the number of Muslims worldwide will grow to 2.76 billion, or 29.7% of the world’s population (Pew Research Center, 2017). The largest Muslim country is Indonesia, where an estimated 229 million Muslims are. This is 87.2% of the Indonesian population of 263 million and about 13% of the world’s population of Muslims (worldpopulationreview.com). In line with this phenomenon, the money spent by Muslims in the world will continue to increase. The report estimates that Muslims spent US$2.2 trillion in 2018 across the food, pharmaceutical, and lifestyle sectors that are impacted by Islamic faith-inspired ethical consumption needs. This spending reflects a healthy 5.2% year-on-year growth and is forecasted to reach US$3.2 trillion by 2024 at a Cumulative Annual Growth Rate (“CAGR”) of 6.2%. Besides, Islamic finance assets were reported to have reached $2.5 trillion in 2018 (State of the Global Islamic Economy Report, 2019).

Referring to the potential numbers of this market, it is no wonder that many countries are participating in the halal food market. According to Hamid et al. (2019), the halal market is growing around 25% per year, which shows that this business is profitable and its opportunity not only among Muslim majority countries but also among non-Muslim countries, one of the examples is South Korea. South Korean culture which is widely popular lately has also made its culinary famous. There are lots of South Korean foods which are interesting to try, including kimchi, bibimbab, bulgogi, kimbab, teokbokki, samgyetang, jajangmyeon, and others. Now South Korean snacks could be easily found in Indonesia and become a contemporary trend (Setyawati et al., 2019). Even though South Korean food growth is

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faster in Indonesia, not all restaurants serve South Korean food which has been labeled halal.

Korean food started to gain its fame in Indonesia after the K-Pop wave was widely consumed in this country. Facing the fact that the majority of Indonesians are Muslim, people started to modify the ingredients of Korean food to reach the halal standard, which was then promoted through many kinds of media (Nadhifah et al., 2019). The popularity of Korean entertainment in Indonesia rose in the late 2000s, and it grew bigger in the 2010s as Korean television series and music became part of the mainstream. As the so-called K-wave of Korean pop culture broke on the shores of Indonesia, so did a taste for Korean cuisine, which has influenced the formation of consumer homogeneity behavior. That is after they experienced (consumption) those Korean dramas and K-pop as popular culture, consumers have experienced certain emotions that tend to influence their behaviour (Nadhifah et al., 2019).

In this research, South Korean food was chosen as the object of the research. Besides the popularity of South Korean culture among Indonesians today, it also considers the differences in beliefs held between the South Korean population and the Indonesian counterparts, where the most of South Korean population chooses not to have a religion or have atheism belief, while around 87% of the Indonesian population is Muslim. Islam has regulated the food and drink that can be and cannot be consumed by Muslims. Consuming halal products is mandatory for Muslims as described in the Qur’an (Qur’an 7:157; Qur’an 5:88; Qur’an 2:168; Qur’an 2:172–173).

Indonesia is a country with a Muslim majority, so finding halal food in Indonesia is not a difficult thing. Especially since the pandemic of Covid-19, the public is increasingly aware that food that is not halal or is unhygienically processes has great potential to cause diseases. The McKinsey April 2020 survey also confirmed that due to Covid-19 outbreak, consumers in Indonesia are highly concerned about the cleanliness and hygiene of food products. The Covid-19 pandemic would raise the awareness of the Muslim community regarding the importance of halal and thoyyiban in preparing and processing food for consumption.

2. Literature Review and Theoretical Framework

2.1. Purchase Intention

Purchase intention is the preference of the consumers to buy a product or service. In other words, purchase intention has another aspect that the. Consumers purchase a product after evaluation (Kotler & Keller, 2016). Purchase intention refers to the mental stage in the decision-making process where the consumer has developed an actual willingness to act toward an object or brand (Kotler & Keller, 2016). Muslim consumers decide to buy products by analyzing carefully and thoroughly the processes in the chain value to minimize the risks.

Muslim consumers are often more specific and sensitive to the products or services offered in the market as they have a good understanding of halal and high knowledge related to the consumption and purchase of halal food (Choi & Jeong, 2019). Halal is an Arabic word that means “permissible.” In terms of food, it means food that is permissible according to Islamic law. By official definition, halal foods are those that are free from any component that Muslims are prohibited from consuming according to Islamic law (Shariah). Halal products refer to products that meet the syari requirements that prevent prohibition, both in terms of substance and other substances (Burhanuddin, 2011).

2.2. Religiosity

Religiosity is an important constituent of subcultures and has been defined as the degree of commitment toward one’s religion, which can also be understood as the level of confidence in religion (Mukhtar & Butt, 2012). Religiosity shows the extent to which individuals are involved in religious affairs. The influence of religion plays a crucial role in shaping customer behavior and attitudes towards goods and services. Religiosity is defined as a doctrine of certain beliefs about divine power or interpreted as a person’s relationship with tradition (Wong et al., 2006). Muslim consumers who describe themselves as religious and have high religiosity will have different consumption patterns and tend to consume halal products and services (Khan et al., 2019). Muslim consumers who are more religious have a better understanding of halal standards and halal certification (Musaiggar, 1993).

Sudarsono and Nugroho (2020) determined the effect of religiosity, knowledge, and attitudes on consumer intention to consume halal food, cosmetics, and pharmaceutical products in Indonesia. The result of this study indicated that the relationship among religiosity, knowledge, and attitudes positively influenced consumer intention to consume halal food, cosmetics, and pharmaceutical products. The study also found that religiosity had more influence on consumer intentions to consume halal food than cosmetics and pharmaceuticals products. The study also found that religiosity had more influence on consumer intentions to consume halal food than cosmetics and pharmaceuticals products. The study also found that religiosity had more influence on consumer intentions to consume halal food than cosmetics and pharmaceuticals products. The study also found that religiosity had more influence on consumer intentions to consume halal food than cosmetics and pharmaceuticals products.
awareness as mediated by an attitude towards halal food has an effect on purchase intention of halal food.

In this research, religiosity is operationally defined with five dimensions: ideological (ID), ritualistic (RT), intellectual (IN), consequential (CO), and experimental (EX) (Glock, 1972).

2.3. Country of Origin

Country of origin (COO) represents the country or countries of manufacture, production, design, or brand origin where an article or product comes from. As for some consumers, knowing where the product is made is an important aspect of a purchasing decision. Lew and Sulaiman (2014) emphasized that the effect of COO on consumer purchasing behavior is significant since globalization has created the world a smaller place. Additionally, numerous researchers have proved how COO influence people’s purchasing decisions.

Halim and Zulkarnain (2017) determined whether the consumer affinity and ethnocentrism, as well as the image of a foreign country, are able to influence behavior related to the perceived risk and willingness to buy foreign products from the affinity country. The results showed that ethnocentrism has a dominant affection role compared to affinity to influence consumer behavior meanwhile, the product country image has a cognition role to evoke consumer desire to consume foreign products. Adityo and Hati (2019) examined how country image and subjective knowledge influence customers’ attitude and intention to try foreign foods in halal restaurants. Results indicated that, even though country image and subjective knowledge about the food influence customers’ attitude and intention to try foreign food, it is subjective knowledge that has a stronger influence than the former factors. The study empirically tested whether the country image of non-Muslim-majority countries and subjective knowledge still play a significant role in affecting the Muslim consumer’s decision to consume foreign food.

Tjoe and Kim (2016) examined the effect of the Korean Wave (Hallyu) towards consumer purchase intention of Korean products in Indonesia. Besides, they also investigated the image of Korea whether it can give an impact on Indonesian consumers’ intention to purchase Korean Product. This research found that ‘Korean Wave’, ‘Ethnocentrism’, and ‘Country-of-Origin Image’ significantly affected consumer purchase intention towards Korean Products in Indonesia, while ‘Country Image’ on the purchase intention was not significantly affected the purchase intention. Truong (2018) showed that Hallyu 4.0, social media, and consumer ethnocentrism influenced the intermediates variables: subject norms, trust, attitude and behavioural intention and influenced the purchase decision. Khai and Hang (2019) showed that Korean celebrities, K-drama and K-pop significantly affect the Korean state image which has resulted in behavioural intentions to enjoy the ethnic cuisine in Korean restaurants.

The estimation of the COO variable in this research is done through indicators that are in accordance with Listiana (2013), such as (1) Country Beliefs, (2) People effect, and (3) Desired interaction.

2.4. Halal Awareness

“Halal” comes from Islam; which refers to everything that is permitted according to the Islamic religion and code of conduct. Today’s Muslim consumers are more sensitive and aware of “halal” requirements. Halal awareness is the level of knowledge possessed by Muslim consumers to seek and consume halal products in accordance with Islamic law (Garg & Joshi, 2018). The High of halal awareness will lead to types of halal food as the final choice of what to eat, drink or use (Awan et al., 2015).

Many of the previous literature has shown that halal awareness is a significant predictor of purchase intention. The results from research conducted by Setyawati et al. (2019) showed that halal awareness has a significant and positive effect on attitudes towards halal food, besides, halal awareness also has a significant and positive effect on the purchase intention of halal food. These results are supported by research from Pradana et al. (2020) who confirmed that awareness and attitude towards halal labels have a significant effect on purchase intentions.

2.5. An Attitude towards Halal Label

Attitude is the most important factor in influencing consumers’ purchase intention to buy halal goods; people with positive attitudes towards halal goods would also have greater purchase intention (Setyawati et al., 2019). An attitude towards halal food products means a direction or focus by consumers towards products based on their interests and preferences for halal food.

Sudarsono and Nugrohowati (2020) revealed that attitudes toward halal food influenced the respondents’ intention in consuming halal food. Garg and Joshi (2019) showed that attitude has a full mediation effect on purchase intention, i.e., in the presence of attitude as a mediation variable, the direct effect of subjective norm and religiosity is insignificant and the effect caused through attitude is significant.

2.6. Research Hypothesis

According to an existing literature review, the research proposed (Figure 1) the following hypothesis could be developed as follows:

$H_1$: Religiosity positively affects the attitudes towards the halal label.
H2: Religiosity positively affects the Muslim purchase intention to South Korean food.

H3: Country of origin positively affects the attitudes towards the halal label.

H4: Halal awareness positively affects the attitudes towards halal labels

H5: Halal awareness positively affects Muslims' purchase intention towards South Korean food.

H6: Attitude towards halal label positively affects Muslims' purchase interest towards South Korean food.

H7: Halal awareness mediated by attitudes towards halal labels has a positive effect on purchase intention in South Korean food.

H8: Religiosity mediated by attitudes toward halal labels has a positive effect on purchase intention in South Korean food.

3. Research Methodology

3.1. Research Design

The research method used in this research is an associative or correlational method with a quantitative approach. Correlational research is a type of non-experimental research method in which a researcher measures two variables, understands and assesses the statistical relationship between them with no influence from any extraneous variable (Sekaran & Bougie, 2016). In this research, we examine the effect of religiosity, country of origin, and halal awareness on Muslim purchase intention towards South Korean food, including mediation by attitudes on halal labels through hypothesis testing.

3.2. Sampling

The target population is Muslims, over 15 years old (baligh), who are fans of Korean Drama and/or K-Pop and live or reside in the country of Indonesia. The sampling technique was purposive sampling according to the research purpose, which means that a method of sampling, with a procedure in which the researcher could identify the people who have special knowledge about the topic that is being researched. The sample size could be determined based on the theory of Hair et al. (2010), who recommended that the minimum sample size is 5 times the number of indicator items contained in the questionnaire. So, according to that reference, as many as 318 samples are deemed to have met the requirements to meet the goodness-of-fit criteria.

3.3. Data Collection Methods

Primary data collection techniques were through online surveys using google forms and we targeted online communities on social media platforms. Electronic or online questionnaire distribution was chosen because it is easier and faster. Besides, the online questionnaire has advantages, such as a large geographical area could be covered in the survey, including reaching remote locations.
3.4. Instrument Tool

When conducting this research, a structured questionnaire was used as an instrument to gain information from the respondents. The questionnaire consists of two parts, the first is a question related to the demographics of the respondent and the second part is a Likert scale statement which allows the respondents to express their level of agreement and choose the best answer that fits with their conditions. Through the Likert scale, the number 1 would indicate “strongly disagree” and number 5 indicates “strongly agree”.

3.5. Data Analysis

The results from descriptive characteristics data were analyzed through SPSS 26 using the Partial Least Square (PLS) method, starting from the measurement model test (outer model), structural model test (inner model) which then obtained the hypothesis test results.

4. Research Results and Discussions

4.1. Sample Characteristics

According to the demographic characteristics illustrated in Table 1, it shows that the majority of respondents were Muslim women (n = 264; 84%), aged between 15–25 years (n = 190; 59.7%) has an occupation (n = 134; 42.1%) and earn less than three million (n = 168; 52.8%).

From the data mentioned above, it shows that Korean dramas and K-Pop are more loved by women. This may because Korean dramas and K-Pop have become a form of entertainment for women, especially in times when pandemic forces people just to stay at home. The majority of respondents in this research were Z Generation Muslims (born in 1995 to 2010), with the majority of respondents’ income below three million per month. The distribution of the questionnaires in this research did not limit the cities where the respondents resided. So, the respondents who live outside the big cities with an average minimum wage below three million also could fill the questionnaire. Besides, this research was conducted during the pandemic, which changed a person’s income, both in big cities and village districts.

4.2. Evaluation in Measurement Test Model (Outer Model)

The output from the calculation of the PLS Algorithm produces a path coefficient as shown in Figure 2. From all the indicators included in the questionnaire, for the

<table>
<thead>
<tr>
<th>Variable</th>
<th>Composite Reliability</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Religiosity</td>
<td>0.866</td>
<td>0.814</td>
</tr>
<tr>
<td>Country of Origin</td>
<td>0.897</td>
<td>0.874</td>
</tr>
<tr>
<td>Halal Awareness</td>
<td>0.824</td>
<td>0.715</td>
</tr>
<tr>
<td>Attitude towards the halal label</td>
<td>0.919</td>
<td>0.897</td>
</tr>
<tr>
<td>Purchase Interest</td>
<td>0.830</td>
<td>0.740</td>
</tr>
</tbody>
</table>

Table 1: Composite Reliability & Cronbach’s Alpha Test Results

Figure 2: PLS Algorithm
 religiosity variable, some indicators should be removed from the research diagram because it has a loading factor below the set standard. Individual indicators are considered reliable if they have a correlation value >0.07. However, at the scale of development stage research, loading between 0.50 to 0.60 is still acceptable (Ghozali, 2015). The convergent validity test result shows that the loading factor ranges from 0.559 to 0.867, so, all constructs are >0.50, meaning that all indicators fulfill the convergent validity requirements. AVE values range from 0.520 to 0.590 which is greater than 0.50 meaning that all variables have met the standard value so all indicators could be declared as valid.

Discriminant validity is demonstrated by evidence that measures of constructs that theoretically should not be highly related to each other are, in fact, not found to be highly correlated to each other. According to this criterion, if the square root of the AVE of each latent variable is greater than the correlation coefficients between that latent variable and other latent variables in the measurement model, then the model satisfies the discriminant validity criterion (Fornell & Larcker, 1981). The results from the discriminant validity (cross-loading) test showed that the correlation which constructs of religiosity, country of origin, halal awareness, attitudes towards halal labels and purchase interest is higher than other constructs so the results of cross loading test could be declared as valid. Likewise, the Fornell-Lacker Criterion value for each construct is greater than the correlation between one construct to another in the model. From the cross-loading and FLC values, the constructs in the estimated model have met the criteria for discriminant validity.

A reliability test is conducted to prove the accuracy, consistency, and accuracy of the instrument in measuring the constructs. Two methods are used, namely Composite Reliability (CR) and Cronbach’s alpha (CA). From Table 1 it could be viewed that the CR and CA results show a value of ≥0.7, meaning that all constructs have good reliability and the research questionnaire is declared reliable or consistent.

4.3. R-Square Test ($R^2$)

From the test, the $R$-Square value of the mediating variable was 0.255 which indicates that the model structure is weak. The $R$-Square value of the dependent variable was 0.242 which also indicates a weak model structure. These results indicate that the variables of Religion, Country of Origin, and Halal Awareness could affect attitudes towards halal labels by 25.5% and affect the Purchase Intention by 24.2%.

4.4. F-Square Test

The results of the F Square test show that the substantive effect of religiosity on attitudes towards halal labels is medium (0.169), but on purchase intention, it has a small effect (0.005). The substantive effect of the country of origin on attitudes towards the halal label is small (0.035). The substantive effect of halal awareness on attitudes towards halal labels is small (0.020), but on the purchase intention, it is medium (0.153). The effect of attitude towards halal labels on purchase intention is medium (0.022).

4.5. Predictive Relevance Test ($Q^2$)

The result from the calculation of the predictive relevance shows value of $Q^2 = 0.109$ on the purchase intention variable and the value of $Q^2 = 0.136$ on the attitude variable towards halal labels. The calculation result shows the predictive relevance value >0, so, the model could be said to be feasible and has a relevant predictive value.

4.6. Hypothesis Test Results

The hypothesis test result in this research are shown in Table 2, as follows: According to the test results in this research, it shows that H1 is supported. The results in this research are proven by

<table>
<thead>
<tr>
<th></th>
<th>Original Sample (O)</th>
<th>t Values</th>
<th>P Values</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1 → Y1</td>
<td>0.402</td>
<td>4.505</td>
<td>0.000</td>
<td>Supported</td>
</tr>
<tr>
<td>X1 → Y2</td>
<td>0.074</td>
<td>1.172</td>
<td>0.242</td>
<td>Not supported</td>
</tr>
<tr>
<td>X2 → Y1</td>
<td>-0.167</td>
<td>2.942</td>
<td>0.003</td>
<td>Not supported</td>
</tr>
<tr>
<td>X3 → Y1</td>
<td>0.143</td>
<td>2.354</td>
<td>0.019</td>
<td>Supported</td>
</tr>
<tr>
<td>X3 → Y2</td>
<td>0.383</td>
<td>6.471</td>
<td>0.000</td>
<td>Supported</td>
</tr>
<tr>
<td>Y1 → Y2</td>
<td>0.147</td>
<td>2.206</td>
<td>0.028</td>
<td>Supported</td>
</tr>
<tr>
<td>X1 → Y1 → Y2</td>
<td>0.059</td>
<td>1.678</td>
<td>0.094</td>
<td>Not supported</td>
</tr>
<tr>
<td>X3 → Y1 → Y2</td>
<td>0.021</td>
<td>1.841</td>
<td>0.066</td>
<td>Not supported</td>
</tr>
</tbody>
</table>
the original sample value of 0.402 and the t-statistic value >1.96 with a p-value of 0.000 (≤0.05). This is because the respondents in this research have been limited and aimed at Muslims, meaning that the respondents in this research are Muslims, who understand the concept of halal in their religious teachings and the main concern in consuming food. Respondents believe that religious teachings regulate what should and what should not be consumed by humans because the goal is it is good for humans – not only good for health, but also good for the soul and mind.

Based on the test results in this research, Religiosity has a positive but insignificant effect on purchase intention. This could be proven by the original sample value of 0.074 and t-statistic value of 1.172 (<1.96) with a p-value of 0.242 (>0.05). The result indicates that H2 is not supported, so, it could be concluded that the higher a person’s religiosity, the lower purchase intention towards South Korean food. This implies that respondents who have high religiosity are increasingly aware which (mundane) values are not a top priority, thus affecting purchase intentions which are not a primary need, where South Korean food is trendier and not a necessity.

The test results in this research indicated that the Country of Origin has a negative and significant effect on attitudes towards the halal label. This is proven by the original sample value of –0.167 and the t-statistic value of 2.942 (>1.96) with a p-value of 0.003 (≤0.05). So, H3 is supported. Although the Affective Country Image (ACI) is considered to have a positive effect on attitudes towards consumption of foreign foods, the direct and indirect experiences of consumers will increase the emotions and feelings, which are part of the affective component and would have a significant effect on consumer beliefs about the attributes and product expectations. However, when Muslims are faced with attitudes towards the halal label, the country of origin of food would become a consideration for Muslims to act. The more Muslims know about the country of origin of the food wherein that country is still in doubt about the halalness of the product, then Muslims get less trusting or unresponsive towards the product(s) from that country. This implies that the higher the stance on halal food by a Muslim, the more they will not believe or will not respond to South Korean foods. Muslims who have an understanding and stand on the concept of halal will consider where a product comes from, how the product is produced, and what ingredients are the product has. South Korea as a non-Muslim majority country would be a consideration for Muslims in their attitude or acceptance of food. In the food and beverage sector alone, the image from the country of origin could be seen as an indicator of perceived quality, safety, health, and value - all of that would help to determine the consumer attitudes.

Moreover, this research was conducted during the pandemic, in which the Covid-19 outbreak reminded the Muslim community about the importance of halal and thoyyiban in preparing and processing food for consumption.

Based on the tests carried out, the result shows that Halal Awareness has a positive and significant effect on attitudes towards the halal label, so, H4 is supported. This is proven by the original sample value of 0.143 and the t-statistic value of 2.354 (>1.96) with a p-value of 0.019 (≤0.05). It means that the respondents in this research have understood and are well aware of the concept of halal. For respondents, the halal label would help to identify the halal products, as such, the halal label is an important guide for Muslims before consuming food. The results of this research could be interpreted that the higher the level of halal awareness of a Muslim, the more it would have an impact on Muslim attitudes in responding to the food through the halal label.

This test result shows halal awareness has a positive and significant effect on purchase intention. This is proven by the original sample value of 0.383 and the t-statistic value of 6.471 (>1.96) with a p-value of 0.000 (≤0.05). It means H5 is supported. These results indicate that when respondents have a high awareness of halal food, they would consider what to buy or consume. So, it can be concluded that the higher the halal awareness of a Muslim, the more selective they would be in buying food. Every food they will buy need to show that the food is halal, such as a halal sign/logo attached to the food packaging.

According to the test results, it shows that the attitude towards the halal label on purchase intention has a positive and significant effect on purchase intention. This result is proven by the original sample value of 0.147 and the t-statistic value of 2.206 (<1.96) with a p-value of 0.028 (≤0.05). Meaning that H6 is supported. The positive and significant results show that the need for halal food is very important for Muslims. Attitude plays an important role in relation to food, in ways that could influence food choices and food-related behaviour. The halal label is a marker for Muslims in deciding whether to buy food; even though a brand is known for its quality, Muslims would not buy it unless there has a halal label attached to the product.

According to the test results in this research, it shows that Halal awareness which is mediated by the attitude towards the halal label on the purchase intention in South Korean food has a positive but insignificant effect. This is proven by the original sample value of 0.021 and the t-statistic value of 1.841 (>1.96) with a p-value of 0.094 (>0.05). It means that H7 was not supported. Although halal awareness has a direct effect which is a significant positive on purchase intention, when it is mediated by the attitude towards the halal label, it will not have a significant effect. When Muslims have halal awareness which is mediated by a positive attitude toward halal labels, it is not likely to influence the Muslim’s
purchase intention of South Korean food. This because the production method is also important for Muslims, so if the food is declared halal but not good for the body, Muslims still will not buy or consume it. As it is known that in Islam, the concept of halal and toyyiban meaning that “halal is good” has been emphasized to Muslims, namely consuming food not only refers to what should be eaten but whatever is used by Muslims should be good for the body, mind, and soul.

The result shows that religiosity which is mediated by the attitude towards the halal label on the purchase intention in buying South Korean Food has a positive but insignificant effect. This is proven by the original sample value of 0.059 and the t-statistic value of 1.678 (<1.96) with a p-value of 0.066 (>0.05). It means that H8 is not supported. The analysis results obtained in this research are not significant though religiosity has a direct effect, which is a significant positive on purchase intention. However, when it was mediated by the attitude towards the halal label it becomes insignificant. For Muslims, Islam guides people to a straight path of life, with one of its teachings related to the concept of halal which is related to the living environment. Halal food and goods will lead to piety, gratitude, and goodness. Thus, the higher the level of religiosity of a Muslim and mediated by a positive attitude, the lower the Muslim purchase intention in buying South Korean food. Consumers with a high level of religiosity will increasingly understand the meaning and purpose of halal, so, if it is mediated by an attitude towards the halal label, Muslims would be more selective in buying products that are labelled halal, especially products which originating from Muslim minority countries, they will also consider the processing methods and the raw material contained. Besides, Muslims with a high level of religiosity will carry out Islamic law, which one of its teachings is to prioritize needs over desires. Since buying South Korean food is not a necessity for Muslims but only a desire to follow trends, this thought will become a consideration for Muslims as well.

5. Conclusion and Suggestion

According to the data analysis which has been carried out, the following conclusions could be obtained as follows:

1) Religiosity has a positive and significant effect on attitudes towards the halal label, so the hypothesis was supported.
2) Religiosity has a positive but insignificant effect on purchase intention, so the hypothesis was not supported.
3) Country of origin has a negative and significant effect on attitudes towards the halal label, so the hypothesis was not supported.
4) Halal awareness has a positive and significant effect on attitudes towards the halal label, so the hypothesis was supported.
5) Halal awareness has a positive and significant effect on purchase intention, so the hypothesis was supported.
6) Attitude towards the halal label has a positive and significant effect on purchase intention, so the hypothesis was supported.
7) Halal awareness which is mediated by an attitude towards the halal label has a positive but insignificant effect on purchase intention, so the hypothesis was not supported.
8) Religiosity which is mediated by an attitude towards the halal label has a positive but insignificant effect on purchase intention, so the hypothesis was not supported.

This research is limited to examining the impact of country of origin, religiosity, halal awareness, attitudes towards halal labels, and Muslim purchase intentions of products from non-Muslim majority countries such as South Korea. These research samples tended to be young and people over 45 years old were not well represented. From the conclusions results which have been served, the theoretical and practical suggestions which could be given are:

When we viewed from the data analysis process which has been carried out, wherein the convergent validity test stages, many indicators of religiosity should be removed from the research diagram. From the 22 indicators used in the religiosity variable, only 6 indicators could be processed to the next stage, so in future research, it is necessary to re-analyze the causative factors, whether the value measurement scale used is one of the factors which influence the validity test. Additionally, future research may expand the sample that is over 45 years of age.

The advice that could be given to business people who are engaged in the South Korean food sector who have Muslims as their target customers, must follow halal principles, such as managing halal certification and including halal labels, information on raw materials, and processing methods on product/food packaging. Muslims who become their target customers, must follow halal principles, so the targeted Muslim community would be comfortable with these products/foods are safe for consumption.

References


Pew Research Center. (2017). The world’s Muslim population was more widespread than you might think! https://www.pewresearch.org/fact-tank/2017/01/31/worlds-muslim-population-more-widespread-than-you-might-think/


