

The Effect Of Halal Labels And Consumer Trust In Wardah Products On The Purchase Decision Of Millennial Students In East Jakarta

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Abstract. In general, halal products are not only limited to halal food or drinks but can be in the form of medicines, cosmetics, including financial services. Wardah is a cosmetic product that is proven to be halal. This study aims to look at the effect of halal labels and consumer trust on the decision to purchase Wardah products. Researchers in this study used millennials in East Jakarta using 100 people as a sample of 134 millennials using Wardah cosmetic products. The data collection technique in this study used an online questionnaire. And the results of this study, based on questionnaire data that we have processed using SPSS version 22, the calculation of the determination coefficient is 11.76%, which means that the effect of halal labels and consumer confidence on purchasing decisions is 11.76% and the remaining 88.24 % is influenced by other factors.

1. Introduction

Currently, Indonesia is one of the most densely populated countries in the world. With total populations up to 262 million, 85% of them are Muslim. Therefore, Indonesia called as the number one Muslim country in the world. In the last ten years, there has been an increase in the development of modern and Islamic oriented lifestyles in Indonesia. The development of modern lifestyles and referring to Islamic values can be seen from several phenomena such as society increasingly critical in assessing the halal products to be consumed, the development of sharia-based financial institutions, the growth of Islamic nuances, the development of hijab wear, the emergence of Islamic hotels increasing frequency of Hajj and Umrah visits, the growth of the halal cosmetics industry and increasing Muslim entrepreneurship. As a result, there must be halal guarantee products that certified for consumption by Muslims. It is not only food products, medicines, and financial services. In recent years, it seems that halal cosmetics have become an 'attribute' that must be owned by a cosmetic label, this particular in Indonesia is based on consumer buying behavior, "Consumer buyers of buying and selling consumer goods - individuals and households that buy goods and services for personal consumption". Who increasingly considering the importance of halal labels. "Halal label is a guarantee given by an authorized institution such as the Medicines and Cosmetics Food Study Institute of the Indonesian Ulama Council (LP POM MUI) to ensure that the product has passed the halal testing according to Islamic law", [2] . The presence of halal labels in a product is as an additional quality for a product, and a halal label also strengthens consumer confidence in purchasing decisions. "Purchasing decisions are a problem-solving process consisting of analyzing or introducing needs and desires, information seeking, assessment of selection sources for purchasing alternatives, purchasing decisions and behavior after purchase", [4].

2. Literature Review

2.1. Logistics Management

Logistics itself is a process of managing strategically in the acquisition, movement and storage of material parts and ending inventory, as well as the flow of information, through the organization and its marketing channels in several ways to obtain certain future benefits maximum through effective order fulfillment fare [5]. And according to [6] Logistics itself is a process of managing strategically in the acquisition, movement and storage of material parts and ending inventory, as well as the flow of information, through the organization and its marketing channels in several ways to obtain certain future benefits maximum through effective order fulfillment fare [(7-9)].

2.2. *Halal Logistics*

Halal logistics has been defined as the process of managing the procurement, movement, storage, and handling of materials, parts, livestock, semi-finished or finished inventory both food and non-food, and related information and documentation flows through the organization and the 191 supply chain in compliance with the general principles of sharia. Moreover, the following topics should be addressed in halal logistics; they are definitions, requirements process, procedures, tracking & tracing, cleansing (as a corrective measure), packaging and labeling, organization, and certification. Halal logistics is a new phenomenon that is happening in the logistics industry and society, where Sharia is being applied to logistical disciplines[(9–14].

2.3. *Halal label*

A label is a part of a product that carries verbal information about a product or about the seller. the label can be part of the packaging or etiquette (identification) that is printed on the product [15], dividing labels into three classifications, namely: Journal of Economics and Finance, Vol. 1, No. 1, December 2012 38 a. Brand Label, which is the brand given to the product or stated on the packaging. b. Descriptive Label, a label that provides objective information about the use, construction/manufacture, attention/care, and product performance, as well as other characteristics related to the product. c. Grade Label, a label that identifies the assessment of product quality (product judged quality) with a letter, number, or word. For example, canned fruits are labeled with quality A, B and C."Halal label is a guarantee given by an authorized institution such as the Medicinal Food and Cosmetics Food Study Institute of the Indonesian Ulama Council (LP POM MUI) to ensure that the product has passed the halal testing according to Islamic law" [2,16,17].

2.4. *Halal Cosmetics*

The development of halal products such as halal cosmetics requires cooperation and responsibility for all chain players' supplies; and the use of policy traceability. halal systems can help provide high-quality halal cosmetics by controlling the selection of raw materials, production processes, storage, distribution and/or product orders by retailers; but it must be considered that the development of halal cosmetics in the Islamic market will be achieved if the trust of consumers is interested in the benefits of this product and its tendency to increase to look for these products in these markets [18,19].

2.5. *Buying Decision*

Purchasing decisions are the stage in the decision-making process where consumers actually buy". Kotler and Keller also stated that there are six stages of purchasing decisions made by customers of consumers, namely: 1. Product Selection, consumers make the decision to buy a product or use the money for other purposes. In this case, the company must focus its attention on people who are interested in buying their products. 2. Brand Selection, consumers must make decisions about which brands to buy. Each brand has its own differences. In this case, the company must know how consumers choose a brand. 3. Selection of Purchasing Channels, consumers must make decisions about which suppliers to visit. Each consumer is different in terms of determining the distributor usually due to the location factor, low prices, complete inventory, the convenience of shopping, space and so on. 4. Amount of Purchases, consumers can make decisions on how many products to buy. In this case, the company must prepare the number of products according to consumer needs. 5. Purchase time, consumer decisions in the time of purchase can vary, for example, someone buys every day, once a week, once every two weeks, even once a month depending on their needs [3,20,21].

3. **Research Method**

This study will examine the effect of halal labels and consumer trust on millennial students from age 18-24 years old purchasing decisions in East Jakarta with the number of samples in this

study is 100 calculated from Slovin method with a population of 134 with an error of 5% (Female students who have bought Wardah products). research that is based on the philosophy of positivism, is used to examine certain populations or samples, data collection using research instruments, analysis of quantitative or statistical data, with the aim of testing the hypotheses that have been determined [22].

The author uses a questionnaire as a tool to test and collect data from respondents. In this study, the contents of the questionnaire consisted of three variables, namely X1 (Halal Label) X2 (Consumer Trust) and Y (Purchasing Decision). The research uses Likert scale with 5 alternative answers which are SS: strongly agree (5), ST: Agree (4), RG: Hesitate/ Neutral (3), TS: disagree (2), STS: strongly disagree (1). In processing the results of this research questionnaire data. the author uses the statistical test that is, validity test states that a valid instrument means that the measuring instrument used to obtain data (measure) is valid. Valid means that the instrument can be used to measure what should be measured. Reliability test, a reliable instrument is an instrument which, when used several times to measure the same object, will produce the same data, after obtaining the right calculation results, then adjusted to the applicable rules to determine the height and height of the measuring instrument [22]. Multiple linear regression, regression analysis is an approach used to define mathematical relationships between independent variables (X) and dependent variables (Y) [23].

4. Result and Discussion

4.1 Validity Test

Validity test is done by comparing the value of r count (Pearson Correlation value on Corrected-Total Correlation output) with r table value for the degree of freedom (df) = n - 2 (n is the number of samples). With the sample number (n) 100 and the significance level = 5%, then (df) → (100 - 2 = 98). So that the r-table value is 0.195. to test the validity of the program used is SPSS version 22.

Tabel 1. Validity Test

Variable	Variable Statement	r count	r table	Evidence
Halal Label (X1)	X 1	0.739	0.195	Valid
	X 2	0.732	0.195	Valid
	X 3	0.684	0.195	Valid
	X 4	0.752	0.195	Valid
Consumer Trust (X2)	X 1	0.691	0.195	Valid
	X 2	0.595	0.195	Valid
	X 3	0.692	0.195	Valid
	X 4	0.771	0.195	Valid
	X 5	0.765	0.195	Valid
	X 6	0.436	0.195	Valid
Purchase Decision (Y)	Y 1	0.485	0.195	Valid
	Y 2	0.408	0.195	Valid
	Y 3	0.459	0.195	Valid
	Y 4	0.380	0.195	Valid
	Y 5	0.478	0.195	Valid
	Y 6	0.371	0.195	Valid

Source: SPSS version 22 (data obtained by the author)

Based on table 1 all the statements in the questionnaire were declared valid with results r count > r table

4.2 Reliability Test

Data is said to be reliable if Cronbach Alpha > 0.6 and to test the data the researcher uses SPSS version 22.

Table 2. Reliability Test

Variable	Cronbach Alpha	Coefficient Alpha	Evidence
Halal Label (X1)	0.695	0.600	Reliable
Consumer Trust (X2)	0.745	0.600	Reliable

Purchase Decision (Y)	0.757	0.600	Reliable
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Based on Table 2 all variable data were declared reliable with the results of the Cronbach Alpha Variable Halal Label (X1), Consumer Trust (X2) and Purchase Decision (Y) > 0.6

4.3 Multiple Linear Regression

Table 3. Results of Multiple Linear Regression

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	31.777	4.831		.000
	LABEL HALAL (X1)	.665	.327	.257	.045
	KEPERCAYAAN KONSUMEN (X2)	.229	.251	.115	.363

a. Dependent Variable: KEPUTUSAN PEMBELIAN (Y)

Source: SPSS version 22 (data obtained by the author)

Based on table 3 the results of the calculation using SPSS version 22 the multiple regression equation are as follows: $Y = 31.777 + 0.665X_1 + 0.229X_2$

From the equation above, it can be seen that the relationship between variable X1 (halal label) and variable X2 (consumer confidence) on variable Y (purchase decision) is in the same direction (positive).

4.4 Correlation & Coefficient

Table 4. Correlation & Coefficient

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.343 ^a	.118	.099	6.161	.118	6.466	2	97	.002

a. Predictors: (Constant), KEPERCAYAAN KONSUMEN (X2), LABEL HALAL (X1)

Source: SPSS version 22 (data obtained by the author)

Based on table 3.4 the results of calculations using SPSS version 22 obtained the correlation $r = 0.343$, if seen in the closeness interval table the relationship r is in the interval 0.20-0.39, which means the relationship between variables X1 (halal label) and variable X2 (consumer trust) on variables Y (purchase decision) is weak and positive.

Based on table 4 the value of $r = 0.343$, then the calculation of the determination coefficient is:

$$KD = (r)^2 \times 100\%$$

$$KD = [(0.343)]^2 \times 100\%$$

$$KD = 11.76\%$$

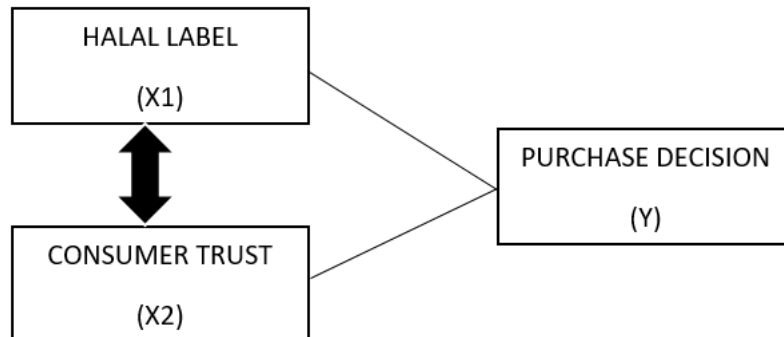
From the calculation above the coefficient of determination is 11.76%, which means that the influence of the halal label on the Wardah and consumer confidence in the purchasing decision is 11.76% and the remaining 88.24% is influenced by other factors.

4.5 Hypothesis Test (t)

(t) Test

To determine the value of t table, namely with the number of samples (n) is 100 respondents and the number of variables X (k) = 2 variables, then $df = nk - 1 = 100 - 2 - 1 = 97$ with a standard error of 5% when viewed in the distribution t table, the value of t table is 1,984

Based on table 3 t count for variable X1 (Halal Label) is equal to 2.036, then $t \text{ count} > t \text{ table}$ which means there is the effect of variable X1 (halal label) on variable Y (purchase decision). And t count for variable X2 (consumer trust) is equal to 0.914, then $t \text{ count} < t \text{ table}$ which means there is no effect of variable X2 (consumer confidence) on variable Y (purchase decision).



3.6 Simulant Test (f)

(f) Test To determine the value of f table, namely with the number of samples (n) is 100 respondents and the number of variables X (k) = 2 variables, then $df = nk = 100 - 2 = 98$ with a standard error of 5% when seen in the distribution f table then the value f table is 3.09

Table 5. Simulant Test

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	490.876	2	245.438	6.466	.002 ^b
	Residual	3682.114	97	37.960		
	Total	4172.990	99			

a. Dependent Variable: KEPUTUSAN PEMBELIAN (Y)

b. Predictors: (Constant), KEPERCAYAAN KONSUMEN (X2), LABEL HALAL (X1)

Based on the table 3.6 f count is equal to 6,466 which means $f \text{ count} > f \text{ table}$ so that there is an influence between variables X1 (halal label) and X2 (consumer trust) on variable Y (purchase decision).

5. Conclusion

Based on the data obtained and the results of data processing in this study the conclusion is the calculation of the coefficient of determination is 11.76%, which means that the influence of halal labels and consumer trust towards in purchasing decisions is 11.76% and the remaining 88.24% are influenced by other factors such as no animal testing, the public's image of the brand, the quality of the products, and a reasonable price.

Suggestion

As a result of the conclusions above, there are some suggestions that must be made by PT. Paragon Technology and Innovation for the increasing decision on purchasing Wardah Cosmetics at Millennial Student in East Jakarta:

1. The halal label on Wardah cosmetic product packaging is enlarged in size. Halal labels should also be included on packaging in cosmetics, not just cosmetic packaging boxes. In

Wardah's cosmetic outer packaging, the halal label is very small and the color is disguised as the main color of the packaging. Preferably, the halal label is enlarged in size, its position is not behind the packaging, so it is easily visible to consumers.

2. The existence of socialization and information from Wardah cosmetics to encourage consumer's trust in halal and quality product that is safe for use by consumers including students

6. References

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