



The Influence of Halal Certification of MSMEs on Purchase Decision and Customer Loyalty in Bengkulu

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ABSTRACT

This study aims to determine how much influence Halal Certification has on Purchase Decisions and Customer Loyalty in Bengkulu partially. study uses quantitative methods using probabilistic sampling technique based on the concept of random selection. The data collection technique was carried out using a questionnaire with a sample of 100 respondents, data processing using the IBM SPSS 25 application. The data analysis used is Descriptive Analysis, Classical Assumptions, Regression Analysis, T Test, and Coefficient of Determination. The results of this study indicate that: (1) There is a positive and significant influence between halal certification on purchasing decisions with a T value of 9,476 with a significance of 0,000. (2) There is a positive and significant influence between halal certification on customer loyalty with a value of is 7,752 with a significance of 0,000. The coefficient of determination on the halal certification variable on purchasing decisions is 47.8% and the halal certification variable on customer loyalty is 36.9%.

Keywords: Halal Certification, Purchase Decision, Customer Loyalty.

1. Introduction

Astronomically, Bengkulu Regency is located between 207°37,2"0055'33,6" North latitude and between 100057'57,6"-102030'25,2" East longitude. The area of Bengkulu Regency is 8.628,054 km squares, consisting of islands and seas. There are 3 main islands as well as other small islands in the Bengkulu Regency. Population by Subdistrict and Religion in Bengkulu Regency, 2022 islam 530187, protestant 77043, catholic 7308, hindu 30, budha 31849, others 299 (Utami et al., 2023). Based on statistics, there are approximately 229.62 million Muslims living in Indonesia, or around 87.2% of the country's total population of 269.6 million people. When extrapolated to the expected 2.2 billion Muslims in the world by 2030 (23 percent of the world's population), the Indonesian Muslim community represents roughly 13.1% of all Muslims worldwide (Mastuki, 2020). Indonesia, which has a large Muslim population, has the potential to become the center of the world's halal market, and the government is expected to actively and sustainably promote the development of the halal industry. One of the real efforts is the halal certification of each product. In 2021 there were 17,863 certificates from 263,190 products (Haspramudilla, 2022). Many products in Indonesia have successfully obtained halal certification. However, results from various surveys and studies reveal that the majority of Indonesians still lack understanding of the importance and process of obtaining halal certification. For example, a study conducted by LPPOM MUI in 2021 showed that around 40-50% of people do not fully understand the procedures and benefits of halal certification.

Halal Certification is a guarantee for consumers that the products they buy have met halal requirements and can be consumed in accordance with religious rules. This affects Purchasing Decisions and Customer Loyalty to products and brands produced by MSMEs. In the food and beverage industry, the demand for halal products is increasing globally. This is due to the significant growth of the Muslim population as well as consumer awareness of the importance of fulfilling religious demands in the selection of products consumed. Halal certification is a key factor in ensuring that a product or business meets the halal standards set by Islamic authorities.

In Bengkulu, an area rich in MSMEs in the food and beverage sector, there has been an increase in the number of micro, small and medium enterprises (MSMEs) that have successfully obtained halal certificates. The existence of this Halal Certification indicates the serious commitment of business actors to the quality and halalness of their products. However, to understand more deeply the impact of Halal Certification on Consumer behavior, more detailed research is needed. This kind of research will uncover the pattern of Purchasing Decisions and the level of Customer Loyalty in this region. Through a comprehensive analysis, it will become clear to what extent Halal Certification affects consumer preferences, as well as to what extent it retains Customers in this increasingly competitive market. Thus, a

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more complete picture of how Halal Certification impacts the business dynamics of MSMEs in Bengkalis will be formed.

Halal Certificates in the context of the current market have become very relevant for Muslim Consumers who want to ensure that the products to be purchased are in accordance with their religious principles. This research is important because it can provide insight into Consumer preferences regarding halal products, thus can help MSME players in Bengkalis improve their marketing strategies and strengthen their business image and reputation. This research is interesting for The Researcher to do for several reasons. First, the growth of the halal market is increasingly significant, this research will help MSMEs in Bengkalis better understand how Halal Certification affects Purchase Decisions and Customer Loyalty. Second, increasing consumer awareness of the halalness of a product makes Halal Certificates one of the factors in Purchasing Decisions and is also a way to identify the extent of consumer confidence in Bengkalis itself in the Halal Certificate owned by an MSME product.

2. Methodology

The research location is in Bengkalis Regency. The object is Customers of MSME products that already have Halal Certification. In this study used data types Quantitative Data. source of the data used for this study namely Primary data and secondary data sources. The population in this study is Customers who have experience buying products from MSMEs in Bengkalis that have Halal Certification. The Research population consists of as many as 100 Customers of MSME products that already have Halal Certification. the sampling technique in this study is to use probabilistic sampling technique based on the concept of random selection. The research use data collection technique questionnaire. The collected data will be processed data processing. This study use a likert scale as a measurement scale. Data analysis methods are Descriptive Statistic, Classical Assumption, Heteroscedasticity Test, Autocorellation, Regression Analysis, T-Test, Coeficient Determination. The research model use a one independent variable X with two dependent variable Y1 and Y2. These hypotheses of this research are there is Halal Certification has a positive and significant impact on Purchase Decisions and Halal Certification has a positive and significant impact on Customer Loyalty.

Table 1. Definition of variable and indicators

Variable	Description	Indicator	Scale
Halal Certification (X)	In general, halal labeling is labeling with a predetermined design in it with a picture that reads halal in accordance with the provisions of MUI which guarantees that the content in the product has been researched and received halal certification from an authorized institution. The halal logo is officially issued by MUI and becomes a valid logo as a product label that has been studied for the halalness of the elements that compose it.	<ol style="list-style-type: none"> 1. Halal logo is important in choosing products. 2. Choosing Halal Products Based on the Halal Logo. 3. Buying without considering the institution. 4. It does not matter which institution makes the halal logo. 5. Knowing the existence of the Halal Logo. 6. Recognizing the Difference Between the Original Halal Logo and the Fake One. (Wibasuri et al, 2020) 	Likert 1= SD 2= D 3= N 4= A 5= SA
Purchase Decision (Y1)	Purchasing decision is one of the stages that must be passed by consumers in making purchases.	<ol style="list-style-type: none"> 1. Need and desire for a product. 2. Desire to try. 3. Establishment of the quality of a product. 4. Repurchase decision (Basalamah et al, 2021) 	Likert 1= SD 2= D 3= N 4= A 5= SA
Customer Loyalty (Y2)	loyalty is defined as making repeated purchases of it based on a strong internal inclination, or as repetitive buying habits brought on by a fondness for the brand.	<ol style="list-style-type: none"> 1. Repurchase 2. Customer commitment to product 3. Recommendation by word of mouth (Aldama and Putra, 2021) 	Likert 1= SD 2= D 3= N 4= A 5= SA

Source: Processed data, 2023

3. Result and Discussion

Respondent data obtained will be tested with classical assumption test. The classical assumption test used consist of the data normality test used Monte Carlo test statistical value are normally distributed shows the Monte Carlo value. Sig. (2-Tailed) is 0.297 and 0.153. based on the Autocorellation test has a result in this study does not show autocorrelation. Based on the Heteroscedasticity Test all research variables have

no symptoms of heteroscedasticity. Based on the regression analysis has a result The regression coefficient value of the Halal Certification variable (X) has a positive value of 0,496 in this study, which means that when the Halal Certification variable (X) increases by one, the Purchase Decision will increase by 0,496. The regression coefficient value of the Halal Certification variable (X) is positive by 0,465 in this study, which means that when the Halal Certification variable (X) increases by one, Customer Loyalty will increase by 0,465.

Table 2. T-Test Halal Certification (X) and Purchase Decision (Y1)
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1,638	2,629		,623	,535
	TOTALX	,496	,052	,691	9,476	,000

a. Dependent Variable: TOTALY1

Source: Processed Data, 2023

Based on Table 2 by observing the row, column t and sig it can be explained as follows: Effect of Halal Certification Variables on Purchase Decisions (H1) Halal Certification variables (X) have a positive and significant effect on Purchase Decisions. This can be seen from the significance of Halal Certification (X) of 0,05 = 0,05 and the value of t table = $t(\alpha/2; n-k-1) = t(0,05/2; 100-2-1) = (0,025; 97) 1,98472$. This means that the calculated t value is greater than the t table ($9,476 > 1,98472$), then H0 is rejected and H1 is accepted, thus the hypothesis stating that there is an effect of Halal Certification on Purchase Decisions is partially accepted.

Table 3. T-Test Halal Certification (X) and Purchase Decision (Y1)
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3,046	3,083		,988	,326
	Halal Certification	,465	,061	,608	7,572	,000

a. Dependent Variable: Customer Loyalty

Source: Processed Data, 2023

Based on Table 3 by observing the row, column t and sig it can be explained as follows: Effect of Halal Certification Variables on Customer Loyalty (H2) Halal Certification variables (X) have a negative and not significant effect on Customer Loyalty. This can be seen from the significance of Halal Certification (X) of 0,05 = 0,05 and the value of t table = $t(\alpha/2; n-k-1) = t(0,05/2; 100-2-1) = (0,025; 97) 1,98472$. This means that the calculated t value is greater than the t table ($7,572 > 1,98472$), then H0 is rejected and H1 is accepted, thus the hypothesis stating that there is an effect of Halal Certification on Customer Loyalty is partially accepted.

Table 4. Coefficient of Determination Halal Certification (X) and Purchase Decision (Y1)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,691 ^a	,478	,473	2,037

a. Predictors: (Constant), Halal Certification

Source: Processed Data, 2023

Based on table 4, the analysis of the coefficient of determination shows that variable Halal Certification (X) affects variable Purchase decisions (Y₁) by 0,478 or 47,8%. This means that almost half of the variation in variable Purchase decisions (Y₁) can be explained by variable Halal Certification (X).

Table 5. Coefficient of Determination Halal Certification (X) and Purchase Decision (Y2)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,608 ^a	,369	,363	2,388

a. Predictors: (Constant), Halal Certification

Source: Processed Data, 2023

Based on Table 5, the analysis of the coefficient of determination shows the variables Halal Certification (X) affect variable Customer Loyalty (Y₂) by 0,369 or 36,9%. This means that almost half of the variation in the Customer Loyalty variable (Y₂) can be explained by the halal certification variable (X), not up to half but only 36.9%.

Based on the results of hypothesis 1 testing in the study, it shows that there is a significant influence of Halal Certification on Purchase Decision. This can be seen from the results of the influence test, the T value is 9,476 with a significance of 0,000. This means that the significance < 0,05, it means that there is a

significant effect of Halal Certification (X) on Purchase Decision (Y1). Therefore, can be concluded that the first hypothesis is proven to be accepted that Halal Certification has a positive effect on Purchase Decisions by consumers of halal-certified MSMEs in Bengkalis. The Bengkalis Citizens is currently making halal certificates the main reason for making Purchase Decisions on halal-certified products. A growing number of Consumers are making halal-certified items their top priority when making purchases. Purchasing decisions are becoming more and more influenced by halal factors due to consumers confidence in the halalness of the product, which is identified by a halal certificate. Thus, halal certificates are not only a label, but also an important driver in shaping the trend of Purchase Decisions that are more aware of halal values.

Based on the findings that have been processed in hypothesis 2 testing in this study, it shows that there is an insignificant effect of Halal Certification on Customer Loyalty. This can be seen from the t value of 7,572 with a significance of 0,000. ($0,000 < 0,05$). Thus, it can be concluded that the second hypothesis is proven to be accepted, indicating that Halal Certification has a positive influence on Customer Loyalty in consumers of halal-certified MSME products in Bengkalis. Bengkalis citizens do not place Halal Certification as the main factor that encourages them to become loyal customers of halal-certified products. Instead, the decision to make repeat purchases or become loyal customers of halal-certified MSME products in Bengkalis is more often influenced by word of mouth recommendations. Customers tend to make repeat purchases and become loyal to halal MSME products because customers receive positive references from other customers who have purchased these products and recommend them to other customers. Trust and positive experiences from other customers play an important role in shaping customer loyalty to halal-certified products in Bengkalis.

4. Conclusion

Based on hypothesis testing that has been carried out on respondents as consumers of Halal Certification of MSME products in Bengkalis, the results show that: Based on the results of the Halal Certificate T-Test, the calculated T value is 9,476 with a significance of 0,000. This means that the significance $< 0,05$, it can be interpreted that there is a significant effect of Halal Certification (X) on Purchase Decisions (Y1). Thus it can be concluded that the first hypothesis is proven to be accepted that Halal Certification has a positive effect on Purchase Decisions by consumers of halal-certified MSMEs in Bengkalis. The results of this study are in line with the results of research conducted by Hasan et al in (2020) who conducted research on "Halal Certification among SMEs in Kota Kinabalu, Sabah". In his research, it produces a positive and significant value that Halal Certification is very important for investment and is considered a potential strategy to increase consumer purchasing decisions. The results of research by Wulandari et al (2022) which examined "Pengaruh Label Halal Dan Kualitas Produk Terhadap Keputusan Pembelian Produk Umkm Cirebon" Based on the research conducted, it was identified that the halal label has a positive and significant influence on purchasing decisions for MSME products.

Based on the results of the Halal Certificate T-Test, the calculated T value is 7,752 with a significance of 0,000. This means that significance $< 0,05$, it can be interpreted that there is significant effect of Halal Certification (X) on Customer Loyalty (Y2). Thus it can be concluded that the second hypothesis is proven to be accepted that Halal Certification has a positive effect on Customer Loyalty by consumers of halal-certified MSMEs in Bengkalis. The results of this study conducted the results of research from Quoquab in (2019) with the title "Driving customer loyalty in the Malaysian fast food industry The role of halal logo, trust and perceived reputation", in the results of his research he stated that halal certificates have a positive and significant effect on Customer Loyalty. In Bengkalis, where the majority of the population is Muslim, most people have grown up with Islamic values. Therefore, their loyalty to products is not necessarily based solely on Halal Certifications. Although a Halal Certification can be the reason someone buys a product, it does not always make them loyal. Some customers may already be convinced and believe in the halalness of the product without the need to see the certificate.

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