# THE EFFECT OF HALAL LABELS OF PACKED FOOD PRODUCTS ON PURCHASE DECISIONS AT A GENERAL STORE IN CIMINCRANG SECTOR BANDUNG

Latifah Adnani<sup>1</sup>, Ida Hindarsah<sup>2</sup>, Trisa Nur Kania<sup>3</sup>
<sup>1,2,3</sup>Business Administration, Universitas Pasundan, Indonesia

Latifah.adnani@unpas.ac.id<sup>1</sup>

Ida.hindarsah@unpas.ac.id<sup>2</sup>

Trisa.nurkania@unpas.ac.id<sup>3</sup>

#### Abstract

The impact of free trade is an increase in the circulation of food and beverage products, both local and imported. The circulating food needs to provide security protection for Muslim consumers who must consume food in a halal and good manner. Halal food, in addition to food that is physically safe but also safe according to religious beliefs. The provisions of halal food will influence Muslim consumers in deciding to buy food. Manufacturers are aware of this, so producers are trying to get halal certificates from LPPOM MUI, which is a competent institution in researching, reviewing and analyzing food and cosmetic products that are not harmful to society and are halal from a religious perspective. This condition triggers producers to register halal products, because it is believed that it will increase sales which have an impact on improving the economy of business actors. 2) Analyzing consumers when making purchases on halal labels of packaged food products; 3) Knowing the effect of halal labels on packaged food products on purchasing decisions at grocery stores in Cimincrang Village, Bandung; 4) Knowing the obstacles. The research method used is descriptive quantitative, primary data is literature study, interviews, field observations to grocery stores in Cimincrang Village. Consumers who buy food products at a grocery store in Cimincrang Village. Based on the results of the study, consumers in buying food products, the presence of a halal label in the packaging has not become a major concern. This is due to the assumption that because the seller is Muslim and believes in an institution that issues a halal label, the food purchased is also halal. Business actors in grocery stores (retail) also trust producers, because most of us are Muslims, producers in producing food are also halal. Because if there is no halal label, consumers will complain. This condition causes increased awareness for business actors not to sell food and beverage products that do not have a halal label. Because the halal label is believed to increase sales and have an impact on increasing the economy for business actors. The influence of the halal label on purchasing decisions is in the low category. The findings in this study are that in general, people pay less attention to halal labels on the food packaging they buy, but focus more on product expiration. The problem is that packaged food products are not required to include a halal label issued by the MUI, and there are no firm sanctions for business actors who do not include a halal label on their food products.

## Keywords: Halal Label, Purchase Decision.

#### 1. Introduction

The impact of globalization and free trade is the increasing circulation of food and beverage products, both local and imported (Dewi, 2019). Food in circulation needs to provide security protection for the community. Especially Muslims, because for the Muslim community food and drinks are not only delicious but must meet the elements of the Shari'a, namely the halal aspect (Herlan Firmansyah and Endang

Hendra, 2015). As described in the Qur'an Surah An Nahl verse 114 which instructs humans (Muslims) to eat halal and good food, two things that are a unity where halal is based on the Shari'a and is good in terms of health, nutrition, aesthetics, safety, comfort. The state is obliged to provide protection to the population in carrying out worship according to their respective religions and beliefs as stated in the 1945 Constitution article 29 paragraph (2). Muslims need to protect the halal food and beverage products they consume. Based on the Consumer Protection Law Number 8 of 1999, it is stated

that every producer must transparently include the elements of the food produced to protect consumers.

Once the certainty of the halal food consumed for Muslims is so important, the government needs to provide a halal label for every registered food product (Syafrida, 2017). So that there is a guarantee for Muslims, that the food consumed is according to the Shari'a. The government has issued Law Number 33 of 2014 concerning Halal Product Guarantee. This is expected to provide comfort for Muslims in consuming food and drinks (Hidayatullah, 2020). What is meant by halal food is food that does not contain elements or materials that are haram or prohibited for consumption, whether involving materials, additives, aids and other aids including food ingredients that are processed through genetic engineering processes and food irradiation and whose management is carried out in accordance with provisions of Islamic religious law (Presidential Regulation No. 69 of 1999).

Although the government has issued regulations for halal protection for food, beverages and cosmetics, in practice there are still many food products that do not include halal labels (Ramlan & Nahrowi, 2014). For Muslim consumers, the presence of a halal label on the food consumed will increase a sense of comfort which can have an impact product purchasing decisions (Wahyuningrum, at, 2017). This is realized by business actors, so to increase sales, business actors must register the halal label with the authorized agency. Halal food, besides concerning food that is physically safe but also safe according to his beliefs (Faridah, 2019). The provisions of halal food will influence Muslim consumers in deciding to purchase food (Sari, 2019).

Manufacturers are aware of this, so producers seek to obtain a halal certificate from the Institute for the Assessment of Food and Drugs and Cosmetics of the Indonesian Ulema Council (LPPOM MUI), which is an institution that is competent in researching, reviewing and analyzing food and cosmetic products that are not harmful to the public and are halal. from a religious perspective.

Purchasing decision is a process to make a purchase that begins with problem recognition, information search, alternative assessment, purchase decisions and postpurchase behavior (Rachman, at, 2017). The purchase decision process needs attention from producers who market their products in the community (Hutagalung, at, 2019). This is the basis for researchers to develop a marketing strategy to increase consumer buying interest.

This research was conducted at a grocery store owned by Mrs. Bintang RT 01, RW 05 in Cimincrang Village. The location was chosen because 99% of the people in the Cimincrang area are Muslim. Cimincrang area is currently experiencing an increase in population with a total of 3087 people. This increase in population has resulted in a variety of people's occupations. The choice of this grocery store is because the grocery store is quite crowded, the food products are varied. The products studied are packaged foods and beverages.

Information about halal products needs to be carried out by the government through halal certification and labeling on every food product circulating in the community, as an effort to protect Muslim consumers. Because the halal label can convince and ensure the halalness of a food product (Siti Muslimah, 2012). (Syafrida, 2017), researching about halal certificates in food and beverage products provides protection and legal certainty and the rights of Muslim consumers. Highlighting it from the aspect of consumer protection in order to get their rights. Namely the right to food safety and the right from the aspect of religious belief. Researchers focus on research from aspects of the buying decision process of Muslim consumers who consume packaged food.

Islam teaches to eat good and halal food. In the field, the Muslim community rarely pays attention to halal labels that include registration numbers on food packaging. In addition, there is a lack of understanding of the importance of Halal labels in food products. This condition causes producers not to register for Halal certification according to the procedure. (Siti Muslimah, 2012) highlights from the producer aspect, namely legal protection, which is still weak, complicated procedures, lack of legal awareness for producers. While researchers are more focused on the consumer, namely the purchase decision process for consumers. Referring to these conditions, the researchers

will examine further about how the purchasing decisions of Muslim consumers in consuming packaged food, both those that have been labeled and those that have not included the halal label.

# Halal Label Concept Halal provisions in Islamic law

The word halal means open, i.e. all actions that are freed from the Shari'a to be carried out. The meaning of the word halal because it is open can be interpreted as being free from the prohibitions that prevent it (Faridah, 2019), it can also be interpreted that the word halal is anything that causes someone to not be punished if they do it (Encyclopedia of Islamic law). objects or activities that are permitted to be used (digilib unisby.ac.id). (Edi Wibowo & Diah Madusari, 2018) mentions that the halal concept needs to pay attention to aspects of the product chain. Starting from the process, packaging, storage and shipping. All of these are summarized in the production chain as described (Jamaludin et al., 2020).

#### Halal certification

Law Number 33 of 2014 concerning Halal Product Guarantee states that products that enter, circulate and trade in Indonesian territory must be halal certified. Technically, the examination of substance content is tested by the Institute for the Study of Food, Drugs and Cosmetics (LPPOM). Based on the results of the test, the MUI issued a fatwa as outlined in a halal certificate. Furthermore, the inclusion of halal labels on product packaging is carried out by the Food and Drug Supervisory Agency (BPOM).

From the description it can be concluded that the activities of halal certification with Halal Labeling are 2 (two) different activities. The ultimate goal of halal certification is the existence of a formal legal acknowledgment that the products issued have met the halal requirements.

#### Halal label

The function of the label identifies the product or brand, categorizes the product, and explains several things about the product and promotional tools (Hidayatullah, 2020). Other label functions are identifying products, brands, explaining products, classifying products and as a means of

promotion (Irrubai, 2016). Halal or haram products are the responsibility of all parties, both consumers, the government and business actors, manufacturers, food sellers. Furthermore, it is stated that the halal label needs to be included because dealing with Muslims who find it difficult to determine the origin of the ingredients. The Muslim community's rights must be protected, namely the right to obtain a halal product.

One way to protect it is to include a halal label in accordance with Islamic law in product brands or in food business activities served to business actors. For Muslims, the halalness of food products is not only a material right of Muslim consumers but also has a spiritual meaning, namely the existence of an element of the relationship between God's creatures and the creator.

Halal labels in food products are very important, because halal labels can protect Muslims from haram foods (Ramlan & Nahrowi, 2014). Halal labels can increase spiritual inner peace for Muslim consumers. The truth of the halal label is obtained from the issuance of halal certification by an institution established by the government, namely the Institute for the Study of Food, Drugs and Cosmetics (LPPOM) of the Indonesian Ulema Council. For companies that have Halal Certification, the MUI has the intention of maintaining the sanctity of religion, the sanctity of mind, the sanctity of the soul, the sanctity of offspring and the sanctity of property.

Honestly, the company must honestly explain all the materials used and the production process carried out in the company in the HAS manual and carry out daily halal production operations. Absolute, all materials used in the halal production process must be halal, SJH does not recognize the status of materials that have low, medium or high risk of the halalness of a specific product, the system must be able to identify each ingredient specifically referring to the supplier, producer, and country of origin . This means that each code is specific for one ingredient with one halal status. (LP POM UI.2008)

The procedures for halal labeling and halal certification are through the following procedures:

- 1. Companies that apply for certification, and fill in registration data which includes: certification status (new registration, extension or product development.), halal certificate data, product group.
- 2. Pay the registration fee and the cost of the halal certification contract.
- 3. Fill out business process documents (industry, processing, restaurants, service industries), in the form of production processes, Halal assurance system (SJH), factory data, product data, material data data and materials used documents, as well as product matrix data.
- 4. Checking the adequacy of documents until the issuance of a halal certificate
- 5. Companies that apply for certification, and fill in registration data which includes: certification status (new registration, extension or product development.), halal certificate data, product group.
- 6. Pay the registration fee and the cost of the halal certification contract.
- 7. Fill out business process documents (industry, processing, restaurants, service industries), in the form of production processes, Halal assurance system (SJH), factory data, product data, material data data and documents of materials used, as well as product matrix data.
- 8. Checking the adequacy of documents until the issuance of a halal certificate (Zulham, 2018).

# **Purchase Decision Concept**

The purchase decision is in the evaluation stage, the consumer forms preferences among the brands in the choice set and may also form an intention to buy the most preferential brand (Rachman, at, 2017), and the purchase decision process The process of buying decisions with labels or brands will begin with the following steps:

1. Recognition of needs

There are several factors that need to be considered when identifying needs, namely:

a) Time

Paying attention to busy consumers, or having to leave for work early in the morning, will certainly require certain types of food.

- b) Situation change Unmarried and married have different needs.
- c) Individual differences

When consumers buy bags, some consider certain brands and qualities even though they are expensive, but other consumers consider them for fashion, so there is no need for expensive prices.

- d) Product consumption
   If the food needs run out, the consumer will buy again.
- e) Marketing influence Intense and attractive promotions can influence consumers.
- f) Information Search

Information search can be done by:

- 1) Find the information you need
- 2) How many shops visited
- 3) How many brands are considered
- 4) How many attributes are evaluated
- 5) How many sources of information or instructions were read
- 6) How many friends and or shop employees are invited to discuss
- 7) How many ads viewed
- 8) How long does it take to find information
- 9) Consumer activities in choosing brands
- 10) What brands to consider
- 11) What attributes of the product are evaluated.
- 12) What sources of information are used.
- 13) Search activity
- 14) Consumers perform search activity steps by asking:
- a) How do consumers perceive brands?
- b) How to process product attribute information?
- c) How are the sources of information used?
   (Edi Wibowo & Diah Madusari, 2018).

## **Buying decision**

There are 3 kinds of purchasing decisions:

- 1. Planned purchase
- 2. Half-planned purchases
- 3. Unplanned purchases The purchasing process includes:
- a. Pre-purchase stage
- b. Namely seeking information and taking funds
- c. Purchase stage
- d. Relating to store products and transactions.
- e. Post-purchase behaviour

After making a purchase, consumers will evaluate whether or not they are satisfied with the product or brand they bought. After going through the process of making purchasing decisions, consumers will then make purchasing decisions. Determinants of

consumers in making purchasing decisions include:

- 1) Product
  - Make comparisons between attributes and products with one another.
- 2) Brand is a symbol of product quality
- 3) Shop selection
  - The choice of the store considers the location, product completeness, price, atmosphere of the place, service.
- 4) Purchase quantity
  - The number of purchases can be according to plan, half plan, sudden.
- 5) The right time to make a payment. (Edi Wibowo & Diah Madusari, 2018).
- 6) Packaging Concept
  - Packaging is a container or wrapper that can help prevent or reduce damage to the packaged material. The benefits of packaging are: (Winardi 2010)
- 1. As product identification so that it is different from competing products.
- 2. In an attempt to attract attention, bright colors will reflect more light than dark colors.
- 3. It is expected to have an influence, for example to increase consumer appetite for food products.
- 4. Serves to develop certain associations with its products.
- 5. Can create an image in developing its products.
- 6. It has the function to decorate the product.
- 7. To ensure maximum legibility in the use of contrasting colors.
- 8. Efforts to protect against harmful light.
- 9. To control the temperature of the goods inside.
- 10. Serves to generate consumer buying interest.

### **Hypothesis**

Based on this framework, the hypothesis in this study is that there is an influence between halal labels on packaged food products on purchasing decisions at the grocery store, Cimincrang village, Bandung city.

## **Testing the hypothesis:**

Ho If there is no influence between halal labels on purchasing decisions

Hi If there is an influence between the halal label on the purchase decision.

#### 2. Method

#### Research design

According to (Sugiyono., 2019) research is a systematic investigation to increase the

amount of knowledge, it is also a systematic and organized effort to investigate certain problems that require answers. Survey research is research conducted on large or small populations, but the data studied are data from samples taken from that population, so that relative occurrences, distributions, and relationships between variables are found. In this study, the research was conducted by means of a survey by distributing questionnaires to the visitors to Ibu Bintang's grocery store in Cimincarang Village in Bandung City.

#### Research Object

The research was conducted at a grocery store in the Cimincrang Village area, Bandung. This is because the majority of the people in the area or 99% are Muslims. This research was conducted at Ibu Bintang's Grocery Store. The total population in the Cimincrang area currently amounts to 3087 people. There are various fields of work in the community. This grocery store was chosen because the grocery store is quite crowded and the food products are varied. The products studied are packaged foods and beverages.

#### **Population**

The population is a generalization area consisting of objects or subjects that have certain quantities and characteristics that are applied by researchers to study and then seek conclusions (Sugiyono., 2019). The population in this study were all visitors to the Ibu Bintang grocery store in the Cimincrang village, which amounted to about 280 -300 people every day.

# Sampling and Sampling Techniques

The sampling technique used to determine respondents is based on population size, that is, if the population is more than 100, 10% - 15% can be taken (Arikunto, 2010). The sample criteria are based on the average consumer who spends every day, the range is between 280-300. If 10% of 280 is taken, the sample consists of 28 respondents.

# Types of Data and Research

The data used in this research is primary data. Primary data is data obtained directly from the field by using a questionnaire/questionnaire via google form. In this case, the primary data is the result of the perception of the questionnaire about the

effect of the Halal Label of Packaged Food Products on the Purchase Decision.

## **Technical Data Analysis**

#### 1. Simple Linear Regression

Simple regression is based on a functional or causal relationship between one independent variable and one dependent variable. The general equation for simple linear regression is: Y = a + bX Where: = Purchase decision (dependent variable). a constant). b = Regression coefficient of the halal label variable. X = Halal label variable (independent variable).

## 2. Test Research Instruments

## a. Validity

Validity is a measure that shows the levels of validity of an instrument (Arikunto, 2010). A valid or authentic instrument has high validity. On the other hand, an instrument that is less valid means it has low validity.

An instrument is said to be valid if it is able to measure what is desired. An instrument is said to be valid or valid if it can reveal data from the variables studied appropriately. The high and low of the instrument shows the extent to which the data collected does not deviate from the description of the variable in question.

#### b. Reliability

Reliability is an instrument that is reliable enough to be used as a data collection tool because the instrument is already good (Arikunto, 2010). A good instrument will not be tendentious or direct to choose certain answers. Instruments that can be trusted, which are reliable will produce reliable data, if the data is really in accordance with reality, then no matter how many times it is taken, it will still be the same. Reliability indicates the level of reliability (trustworthy).

Reliability test is a tool to measure a questionnaire which is an indicator of a variable. So this reliability test to find out a questionnaire is said to be reliable or reliable if someone's answer to the question is consistent or stable from time to time. To measure the reliability in this study using the statistical test Cronbach's Alpha () with the value of Cronbach's Alpha () 0.60 (Gozali, 2006).

#### **Data Processing and Analysis Techniques**

The technique used to manage the data is statistical analysis technique through computer program excel statistical analysis

and SPSS. The data analysis techniques used by researchers are as follows:

# 1. Simple Regression (SPSS)

Regression analysis is used to explain the respondent variables (related variables / exogenous variables). If you want the independent variable to consist of a simple regression, a simple regression equation is used. I denote it as follows: SPSS is a computer program that is used to make statistical analysis. SPSS is published by SPSS Inc. SPSS (Statistical package for the Social Sciences). The first version was released in 1968, created by Norman Nie, a graduate of the faculty of political science from Stanford University, who is now a research professor at the Stanford University School of Political Science and Emiritus Professor of Political Science at the University of Chicago. Initially SPSS was only used for social sciences, but subsequent developments in various disciplines so that the extension changed to "Statistical Product And Services Solution".12 SPSS is used by market researchers, health researchers, survey companies, governments, educational researchers, marketing organizations, and so on. . In addition to statistical analysis, data management (case selection, file sharpening, generation of derived data) and data documentation (data dictionaries are included with the data) are also basic software features of SPSS. In this study the author uses IBM SPSS version 20.

#### 3. Result and Discussion

The location of this research is in Cimincrang Village, Gedebage District, Bandung City. The reason for choosing this location is because there are several considerations, namely: The population in Cimincrang Village currently amounts to 3087, with a balanced ratio between the male and female population, namely the female population is 1423 while the male population is 1664. The population is spread over 8 (eight) Rukun Warga. With the densest population in RW 05. The distribution of the population is not evenly distributed, there are RW with a population of 771, but there are only 119. This condition is because RW 8 has a wide area of rice fields, so the population is small. In the past 5 years there has been a tendency to increase the number of migrants living in the Cimincrang area, some renting houses, boarding houses or buying houses. One of the reasons they moved to this area is the existence of an international standard sports

facility, namely the Bandung Lautan Api Stadium. So it is hoped that the newcomers can carry out business activities in the stadium area, which is always crowded with the wider community.

The religion adopted by residents in Cimincrang village is 99% Muslim, the remaining 1% is Christian, Catholic, Hindu and Buddhist. They are immigrants from various regions such as Medan, Central Java and others. Residents who run businesses in Cimincrang based on MSME data from the economic part in the Cimincrang village, which is 394. Many of these business actors apply business concepts referring to Islamic values, such as places of business not conducting transactions when the call to prayer is heard, selling Muslim needs such as prayer equipment, Muslim clothing, Islamic books and the Koran. Herbal medicine. The transaction is also Islamic, the availability of business financing facilities managed by the mosque, namely Baitul Mall Wa Tamwil (BMT). Business actors do not want to sell manufactured products that do not have a halal label. The behavior of Muslim citizens who are potential consumers in carrying out the economic cycle in the region has also led to the concept of sharia. Because people will complain if there are manufactured products that do not have a halal label. Many of the immigrants who live in the Cimincrang village run trading business activities. But it has not been recorded in the kelurahan because the family card is still the original address.

Most of the population in the Cimincrang area are students, farmers and traders. But the current condition of farmers in the Cimincrang area is not working on their own fields, because their rice fields have been sold to investors and the government. Based on data from the economic section of the Cimincrang village, the farmers here include those who run businesses in the chicken, catfish, ornamental fish, duck, fish pond, and cassava farms. Data on types of work made in 2016 stated that the type of work of people in Cimencrang who worked in the agricultural sector or as farmers reached 20% (606 people). While the number of people who run a trading business is 169 (only 6%). Presented in table 1.

Table 1 Livelihoods of residents in the Cimincrang village

No	Description	Total	Percentage
1	Government employees	90	3
2	TNI/POLRI	55	2,3
3	Private employees	403	13
4	farmer	606	20
5	Trader	169	6
7	Student	621	20
6	College student	68	2,4
7	Retired	52	2,3
8	Etc	968	31
	Total	3087	100%

The number of students and students is 689 (22.4%) because the majority of the population in Cimincrang is in the productive age, which is between 20-55 years (63%). So that the age of their child, is still at the age of a student. In addition, with the establishment of several public educational institutions at the elementary, middle and high school levels, it triggers parents to send their children to school where there is no need for

fees every day, which is considered burdensome. About 4 km from Cimincrang, many higher education institutions have been established such as the State Islamic University (UIN) Sunan Gunung Djati campus 2, Muhammadiyah University, College of Health Sciences, Open University Campus, so that many residents take advantage of the opportunity to study because the location is not far.

Fields of work as housewives, religious teachers, Koran teachers, motorcycle taxi drivers, household assistants, parking attendants, junk sellers, massage workers and so on. Included in other job categories, the number of which is quite large is 968 (31%). This type of work belongs to other sectors because the possibility of change is high. For example, it is recorded that next month a housewife changes to a catering business, a Koran teacher whose number of students after graduation changes domicile, and a House Assistant turns into a housewife. The description of the population in the

Cimincrang village is a representation of the respondents as well as a general description of the condition of the object. After updating the data in 2020, regarding MSME Data in Cimincrang Village, Gedebage Bandung District, it turns out that the number of people who run businesses in the agricultural sector has decreased by only 95 farmers, but for the trade sector, it rose very significantly, from 169 to 394 business actors. This is due to the fact that many farmers have switched jobs due to the fact that their agricultural land has turned into office buildings, luxury housing and tourist areas, as presented in table 2.

Table 2
Data on SMEs in Cimincrang Village, Gedebage District, Bandung

No	Type of business	Total
1	Agriculture (Plantation, vegetable stall, plantation)	42
2	Livestock (Poultry, ornamental fish, fish ponds, ducks,birds, catfish)	53
3	Services (workshop, upholstery sevice, shoe soles, makeover clothes, electronic service, salon, bridal make-up)	39
4	Food (food stalls, meatballs, salad, lotek)	88
5	Groceries and rice	22
6	Clothing, fashion, shoes, bags	69
7	Others ( refill water, furniture, furniture, clean water, fertilizer )	49
8	Grocery Shop	31
9	Grocery store	1
	Amount	394

In table 2, what is meant by a grocery shop is a place to sell, usually in a strategic place to sell daily necessities, but the capacity is small, while grocery stores also sell daily equipment but the turnover is large. In this study, the locus of research is a grocery store in Cimincrang Village which sells daily supplies and various foods, including packaged food products. In addition, the number of consumers every day is between 280 to more than 300 people, the goods sold are more than 100 items. The grocery store

where this research was conducted was established in 2005. The owner's name is Ibu Bintang. The number of employees is 8 research conducted by researchers.

# Research Results related to the Halal Label of Packaged Food Products

The results of research on consumer/respondent responses to purchasing packaged food products labeled halal at a grocery store in Cimincrang Village are as follows:

 $\label{thm:continuous} Table\ 3$  The results of distributing a questionnaire about the Halal Label n=28

No	Question Items	SS	S	KS	TS	STS
1	Halal in essence	12	11	5	0	0
2	Halal Products	9	17	2	0	0
3	Halal The production process is related to the means of production	12	14	2	0	0
4	Halal from how to process it	12	12	4		

No	<b>Question Items</b>	SS	S	KS	TS	STS
5	Halal way of storage	10	14	4		
6	Halal from the means of	6	9	13		
	transportation					

Halal from its essence here means that it relates to the raw materials used for food products consumed by consumers, consumers believe that if there is a halal label in food packaging, then the raw materials used in the food are also halal. Because if there is a halal label, then the party that issues the halal label, namely the Indonesian Ulema Council, is the party responsible for the halalness of the raw materials. Likewise, the results of interviews with grocery store owners selling packaged food products stated that shop owners believe in the essence of packaged food products if there is a halal label, then the essence is also halal.

The provisions in the LPPOM MUI state that business actors (companies) that have a halal label have the aim of maintaining the sanctity of religion, purity of mind, purity of soul, sanctity of offspring and sanctity of property. In addition, business actors must be honest in explaining the materials used in the production process. As well as the clarity of suppliers of raw materials purchased whether from domestic or abroad. So that business actors who produce food ingredients if they already have a halal label, it will be guaranteed that the raw materials are also halal, because of the strict system implemented by LPPOM MUI.

Meanwhile, regarding the halal of the product, it shows that the halal label that is included on the product packaging has guaranteed the halalness of the product. Respondents' understanding that the halal label has been issued by the Indonesian Ulema Council, which is responsible for products that have been labeled halal are halal products. Because it has gone through an internal halal auditor examination. And there is documentary evidence that must be completed if a business actor applies for halal certification which is easy to trace. So that business actors will have problems if the documents submitted are not in accordance with reality. In addition, BPOM, the Consumer Protection Agency and the public will monitor food products circulating in the market. Currently, the parties that supervise halal food products from the government include the Halal Product Assurance Supervisory Agency (BPJPH) under the Ministry of Religion, BPOM and the Regional Government. Meanwhile, the Consumer Protection Agency as a Non-Governmental Organization (NGO) also supervises halal products, so that it can lead to a conflict between institutions. It is recommended that the Halal Product Assurance Act clearly define which institution is authorized to supervise halal products.

As for the halal for the production process related to production equipment, the position of the consumer does not allow to trace the production process of food products. However, consumers believe that with the inclusion of a halal label on the packaging, the production process related to production equipment is also halal. This is supported by the procedures established by LPPOM MUI in submitting a halal certificate, business actors are asked to make detailed and honest reports about the production process. Both regarding the composition of the raw materials used, how to obtain them, where to get them, within the country or outside Indonesia. Even if business actors are dishonest in making reports on the production process, it may not be known from the LPPOM MUI, but consumers/markets will react if they find a taste that is considered dubious. In addition, information about a food product that is allegedly not halal will result in the product being avoided by Muslim consumers, who make up the majority. So business actors are very concerned about market reactions when providing dishonest information about the production process.

The production process related to how to process it, including how to store it, respondents believe that if a food product is labeled halal, then how to process it is also done in a halal manner. Especially if you use meat as raw materials, then halal labeling is a must. Because meat is explicitly mentioned in the Qur'an which states that the source of the

food ingredients produced is prohibited from coming from haram substances such as blood, carrion, pigs, slaughtered animals but does not mention the name of Allah (Qur'an Surah Al Maidah (5): 3). Animal slaughtering sites must be halal certified. So that the government's role in this case is the Ministry of Religion and the Indonesian Ulema Council obliged are to provide comprehensive halal protection to Muslim consumers. The Ouran also mentions eating halal and good food. Both here are related to food hygiene, both from the raw materials. as well as the way of processing starting from raw materials, when processed or processed until storage before being packaged and marketed must meet the hygienic standards of food products. Therefore, the halal label and registration of Home Industry Products (PIRT) from the health office for food products, micro, small and medium enterprises, or a permit from the Food and Drug Supervisory Agency (BPOM) for food manufacturers or large food industries must also be carried out.

From the results of the distribution of questionnaires on the issue of halal food in packaging related to transportation facilities, consumers doubted its halalness. Because there is no certain sign for the mode of transportation that transports haram transportation animals/meat. Like sea facilities, is there a separation for the transportation of meat that is haram or halal, besides that for trucks transporting animals/meat whether it has been separated. Because there is no special sign for vehicles carrying illegal animals, consumers still doubt the transportation facilities sector. From the results of interviews with entrepreneurs selling packaged food, they hope that there will be awareness for farmers in distributing pigs so that they do not use public rental vehicles, but must have their own or form a special community regarding animal transportation facilities that are forbidden for consumption for Muslims.

According to the researcher, it is necessary for the government or the Ministry of Religion to cooperate with the Ministry of Transportation to provide special markings for non-halal animal transportation facilities, including sea transportation. As well as intensive supervision of transportation facilities used to transport non-halal animals/meat. Regarding halal presentation, it can be seen from the packaging material. The data on questionnaire illustrates that consumers believe that the packaging used for packaged food is made of halal materials. Because the material used in food packaging is basically aluminum oil, glossy paper. Paper comes from plants. All plants are halal except those that are forbidden, such as marijuana trees. In addition, the dominant packaging material is plastic which is made chemically. The results of the questionnaire distribution related to purchasing decisions are presented in table 4.

Table 4 Respondents' Responses on Purchase Decisions related to Halal Packaged Food Products

No	Question Items	SS	S	KS	TS	STS
1	Recognition of needs based on family needs	5	16	7	0	0
2	Recognition of Needs based on the influence of promotion	5	18	4	1	0
3	Information search based on brand considerations	8	18	2	0	0
4	Information search from the aspect of expired consideration	0	4	10	14	0
5	Searching for information from the aspect of considering halal labels in packaging	12	14	1	0	0
6	Searching for information from the aspect of considering the composition of food ingredients	5	16	6	0	1

No	Question Items	SS	S	KS	TS	STS
7	Alternative evaluation in terms of taste evaluation	7	20	1	0	0
8	Alternative evaluation on product halal evaluation	9	19	0	0	0
9	Purchase decisions based on price considerations	6	22	0	0	0
10	Planning-based purchasing decisions	2	15	8	3	0
11	Post-purchase behavior towards certain brands	1	19	8	0	0
12	Post-purchase behavior towards certain flavors	5	18	2	3	0

From the results of the questionnaire distribution, it can be concluded that consumers who are buyers of packaged food products at grocery stores are as follows:

Consumer purchasing decisions regarding the introduction of needs, which are viewed from the aspect of family needs, respondents who answered agree and strongly agree by 75%, meaning that consumer considerations in buying products based on family needs or interests are prioritized, especially consumers of mothers. While the needs themselves are not the main priority. Except for children consumers who spend their pocket money to buy food.

So that grocery store business actors prioritize their business in the form of food, basic necessities and supplies for daily family needs. According to the researcher, the grocery store already provides complete family needs so that it has advantages in terms of completeness of goods and prices. The main competitors of this grocery store are mini markets (Modern Retail Stores). So the grocery store business players need to survey the market about what products cannot be purchased retail at mini markets, as well as provide a payment system that is termed but must be selective in choosing trustworthy consumers.

Based on the questionnaire data that information about food products or other needs. For consumers at a grocery store in Cimincrang Village, the promotion factor in the form of information can be seen from the arrangement of goods, the shape of the building from the outside. From the results of observations and interviews with grocery store owners that the target consumers are

lower middle class and merchant consumers. namely those who do not use the goods purchased for personal gain. Currently the promotion is being carried out at this grocery store by making brochures of various products and prices. The results of the researcher's analysis for store owners need to design or arrange goods in their stores so that consumers are more comfortable in shopping and are more informative. In addition to information store conditions, on recommendations from friends or the environment will also affect consumer purchasing decisions, so that a friendly and kinship attitude needs to be cultivated, especially towards potential consumers. In today's era promotion through social media also needs to be done, although in a simple form.

In connection with the search for information from the aspect of brand consideration, for grocery store business actors from the interviews, they have understood that the strength of the brand on the product has a strong influence on purchasing decisions for consumers. So the shop owner must position the already strong brand in a strategic place. Because it is a free promotional event when providing food products from brands that are widely known to the public/consumers.

Another thing related to packaging is about the halal label listed on the packaging. Respondents' responses to the halal label on the packaging, most of them answered that they disagreed 50% who answered less agree and agreed 14%, this shows that consumers in buying packaged food products do not pay attention to the halal label listed on the packaging which indicates the halalness of the food product. Consumers already have

confidence in the government (the party who is given the mandate) to check the halalness of the product, namely MUI. In addition, usually if there are food products that are not halal, there will be information from various parties in the consumer environment such as family, friends. Consumers also believe that business actors will not dare to take risks if they sell products that are not halal but are labeled halal. If this is done by producers, consumers will react negatively which can harm producers.

This condition requires producers to try to register the halal label of their products. Because it is believed to increase sales so that there is an increase in the economy for these business actors.

Next, we will discuss the search for information based on expired labels. Consumers in deciding to buy food products, most of them 92% stated that in choosing packaged food products, they will usually look at the expiration date before buying the product. Rarely pay attention to the halal label first, the reason is because they believe that the products sold in the market are generally halal. Because the majority of the population is Muslim, other than that the sellers of grocery stores in Cimincrang are also Muslim.

Searching for information based on food composition based on distributing questionnaires, it is known that consumers care about the composition of food ingredients on packaging labels. Labels on packaging based on the Food Law, things that need to be included in food product labels are the product brand, identity of the product maker, composition,

of the food ingredients used, product weight, PIRT/No. BPOM, expiration, nutritional content. The halal label is not mentioned in the law, so there may or may not be. However, food product producers/makers realize that most of the consumers are Muslims, so food business actors must also include halal labels to ensure that they are safe Insist Muslim consumers that the food products in circulation are halal. And as a means of promotion to attract more Muslim consumers. The composition of food raw materials is required to be included in the Law regarding evaluation alternatives related to the taste of food that consumers will evaluate the taste of the food consumed after making a purchase. But if before buying, consumers will consider the elements of benefits, prices, promotions, types of products. If food is a new product on the market, then the promotion and price factors are the priorities that make consumer considerations in determining product purchases. Respondents' responses to the evaluation of the halalness of packaged food products, consumers usually refer to prior information from colleagues, social media and advertisements. But it can also be based on the experience of friends who feel a suspicious food taste. This condition can be decisive for prospective buyers to determine their decision in buying a food product.

Consumers rarely pay attention to packaging attributes in detail, whether a product has been labeled halal or not. So that the government, in this case the Ministry of Religion, which has given a mandate to the MUI, needs to provide comprehensive Muslim consumer protection. Because in the food law and consumer protection there is no requirement to register halal labels on food products, except for certain food products, namely imported products or those using food ingredients from meat.

The next discussion is about purchasing decisions that can be viewed from the price aspect. With regard to purchasing decisions based on price considerations, respondents' responses are as follows:

Price is a major consideration in buying food products. Considering the price does not mean looking for a cheap price, some respondents think that the price indicates the quality of the product. Usually consumers will make their choices based on product benefits, packaging, product quality and price. If the price meets the expectations of the expected product quality, it will lead to a sense of satisfaction for consumers. For business actors to have a strategy in setting prices. In general, grocery stores in Cimincrang set prices as wholesalers, thereby attracting consumer buying interest, because consumers assume that the prices at the store are cheap.

The researcher's analysis is that the minimum price for new products is set. But for products that have a strong brand, the price does not matter if it is the same as the price set by competitors, because consumers will definitely chase the brand.

Furthermore, regarding purchasing decisions based on planning, respondents' responses are as follows: For the purchase of packaged food products that have been purchased regularly, consumers simply need to identify their needs and make purchases immediately. The introduction of needs here, for example, wants to buy certain food products such as nuget, instant noodles, consumers simply pay attention to the available finances, how much is needed. But if consumers face new brands, of course consumers will pay attention to various considerations such as benefits, prices, information from various parties, brands. Before deciding to buy a product. Planning needs for consumers is a handle on the goods needed to be purchased, but does not rule out the possibility that consumers buy goods that are not according to the plan because of the interest factor from the information obtained or the discount from the product price.

Business actors need to understand the general characteristics of consumers, namely 1) the need for product variations that will encourage consumers to freely choose the desired goods 2) diversity, depending on consumer demand for products 3) product availability, will make consumers satisfied. In addition, the attitude of business actors will affect decisions in purchasing

In relation to post-purchase behavior, which can be viewed from the aspect of satisfaction with certain brands, respondents' responses are that brands can offer a value for consumers. because the brand can influence

consumers on their decisions in buying goods at the grocery store or often called retail. In order for a strong grocery store, a strong brand image is needed as well. Brand image is very necessary because it can affect consumers in the long term. In this regard, grocery store (retail) business actors need to have certain advantages or characteristics to strengthen the brand image of the grocery store. Moreover, there are many brands that are perceived as strong in the community if they are widely available in the store, it will become a high enough buying interest for consumers.

While respondents' responses about postpurchase behavior towards satisfaction with the taste of packaged food products, consumers agree that if they are satisfied with the taste of food products from certain brands, there is a tendency to make repeat purchases. Consumer satisfaction if the food purchased has the expected taste, has benefits, the expiration date is clear, the service from the business actor is good, the features or appearance is attractive. About the taste of packaged food products usually have several flavor variants, so that consumers can determine which flavor variant suits their taste. Although at the Cimincrang grocery store, not all flavor variants of a product are available, but it is necessary to pay attention to which flavors are liked/looked for by consumers.

The influence of the Halal Label of Packaged Food Products on Consumer Purchase Decisions at a Grocery Store in Cimincrang Village is as follows:

Cases	Valid	28	100,0
	Excluded <sup>2</sup>	0	0
	Total	28	100,0

a. Listwise deletion based on all variables in the procedure.

# **Reliability Statistics**

Cronbach'sAlpha					
стопоиси заприи	N of Items				
,959	7				

The table shows that the variable X (Halal) shows Reliable

Item-Total Statistics Table 5.

	Scale Meanif	Scale Variance if	CorrectedItem-	Cronbach's Alpha
	Item	Item Deleted	Total	if Item
	Deleted		Correlation	Deleted
X1	23,36	26,164	,788	,957
X2	23,32	25,930	,878	,950
X3	23,29	25,397	,873	,951
X4	23,29	25,397	,873	,951
X5	23,32	25,485	,887	,950
X6	23,54	26,184	,850	,953
X7	23,39	25,581	,842	,953

Table 5. above shows that for the halal variable which consists of 7 indicators, the number is above 0.6 so that it can be included in the valid category.

Case Processing Summary						
			N	%		
	Cases	Valid	28	100,0		
		Excludeda	0	,0		
		Total	28	100,0		

a. Listwise deletion based on allvariables in the procedure

	Reliabil	ity Statistics
	Cronbach's Alpha	y
ľ		N of Items
	,946	12

Regarding the Purchase Decision (Y) with a result of 0.946, it shows that it is reliable Furthermore, the calculation of the validity is presented in the following table:

# Item-Total Statistics Table 6

		Table		
	Scale Mean	Scale	Corrected	Cronbach's
	if Item	Variance if	Item-Total	Alpha if Item
	Deleted	Item Deleted	Correlation	Deleted
Y1	43,00	58,815	,648	,944
Y2	42,96	58,480	,684	,943
Y3	42,96	60,702	,621	,945
Y4	42,75	55,231	,882	,936
Y5	42,68	55,115	,858	,937
Y6	42,89	58,618	,700	,942
Y7	42,75	57,528	,783	,940
Y8	42,68	56,745	,854	,937
Y9	42,79	56,989	,901	,936
Y10	43,11	60,692	,580	,946
Y11	43,07	60,661	,748	,942
Y12	43,00	57,259	,732	,942

Purchase Decision Variable, shows a valid number because it is above 0.6

The influence of the Halal Label of Packaged

Food Products on Consumer Purchase

Decisions at a grocery store in Cimincrang Village is as follows:

The data validity test shows that based on the calculation, it is known that r is positive and greater than r table with df = 26-2, and the degree of freedom is 5%, which is 0.6 and the correlation of each statement item score to the total score of the items. the statement shows that the indicators used to measure the variables studied are valid, said to be valid because r count is greater than r table. So that the indicator can explain the 7 instruments on the Halal Label variable showing a number above 0.6 so it can be included in the valid category. While the purchase decision variable from 12 instruments also shows a number above 0.6 so the results are valid

The reliability test has the aim of knowing the measurements that have been carried out in this study can be trusted or reliable. The consistency of measurement can illustrate that the 2 variables can work well at different times and situations. About the halal label variable (X) shows the SPSS calculation results are 0.959 with question item 7 showing reliable results because the calculation is > from 0.6. Regarding the Purchase Decision (Y) with 12 question items, the results of the reliability test calculation are 0.946, it shows that it is reliable because > from 0.6.

## 4. Conclusion

The conclusion of the study The effect of halal labels on packaged food products on purchasing decisions at grocery stores in Cimincrang Bandung Village are as follows: People in Cimincrang District, based on data, the number of business actors increased significantly, from 169 to 394. This is because many farmers have switched jobs as traders. One of the business actors who opened a grocery store (Retail) business is Ibu Bintang. Consumers per day in the store can reach 280 to more than 300.

Based on the results of the questionnaire distribution, consumers doubt whether the transportation system used by business actors is mixed with non-halal animal transportation or not. Meanwhile, in purchasing decisions, it is known that consumers will pay more attention to the expiration date of the product than the halal label on the packaging.

Consumers believe that if there is a halal label on the product packaging, then the substance or composition of the material used, the processing method, and the production equipment are also halal. This condition triggers business actors to register halal products with MUI because they are believed to be able to increase sales and have an impact on improving the economy of business actors. Consumers pay less attention to halal labels on packaging attributes, but pay more attention to product expiration factors.

The obstacle faced is that the halal label on food products is voluntary, not mandatory. Except for imported products. In addition, there are no strict sanctions for dishonest business actors.

#### Recommendation

- 1. It is better if the government, namely the Ministry of Religion, requires food business actors to register for halal certification of their products.
- 2. The government should determine which institution is competent to carry out supervision.

# 5. References

Arikunto, S. (2010). Prosedur Penelitian: Suatu Pendekatan Praktik (Edisi Revisi 2010). PT Rineka Cipta. http://library.fis.uny.ac.id/opac/index.php?p = show\_detail&id=2193

Dewi, M. H. H. (2019). Analisa Dampak Globalisasi Terhadap Perdagangan Internasional. *Jurnal Ekonomia*, *9*(1), 48–57. https://www.ejournal.lembahdempo.ac.id/index.php/STIE-JE/article/view/24/16

Edi Wibowo, D., & Diah Madusari, B. (2018). Pengaruh Labelisasi Halal Terhadap Keputusan Pembelian Oleh Konsumen Muslim Terhadap Produk Makanan di Kota Pekalongan. *Indonesia Journal of Halal*, 1(1), 73.

https://doi.org/10.14710/halal.v1i1.3400 Faridah, H. D. (2019). Halal certification in Indonesia; history, development, and implementation. *Journal of Halal Product and Research*, 2(2), 68. https://doi.org/10.20473/jhpr.vol.2-issue.2.68-78

Herlan Firmansyah dan Endang Hendra. (2015). Implikasi Globalisasi Ekonomi Dan

Perdagangan Bebas Terhadap Stabilitas Nilai Rupiah. Asy-Syari 'Ah, 17(1), 1–27.

Hidayatullah, M. S. (2020). Sertifikasi dan Labelisasi Halal Pada Makanan dalam Perspektif Hukum Islam (Perspektif Ayat Ahkam). YUDISIA: Jurnal Pemikiran Hukum Dan Hukum Islam, 11(2), 251. https://doi.org/10.21043/yudisia.v11i2.8620 Hutagalung, at, all. (2019). PENGARUH **KUALITAS** PRODUK, **KUALITAS** PELAYANAN DAN HARGA TERHADAP PEMBELIAN. KEPUTUSAN Administrasi Bisnis. *IX*(Iii), 209–215. file:///C:/Users/maunj/AppData/Local/Temp/ 27985-59684-1-PB.pdf

Irrubai, M. L. (2016). Strategi Labeling, Packaging dan Marketing Produk Hasil Industri Rumah Tangga. SOSIO-DIDAKTIKA: Social Science Education Journal, 3(1),15-30. https://doi.org/10.15408/sd.v3i1.3794

Jamaludin, M., Fauzi, T. H., Nugraha, D. N. S., & Adnani, L. (2020). Service supply chain management in the performance of national logistics agency in national food security. International Journal of Supply Chain Management, 9(3), 1080-1084.

Rachman, at, A. (2017). PENGARUH KUALITAS PELAYANAN DAN HARGA TERHADAP KEPUTUSAN PEMBELIAN. DIPONEGORO JOURNAL OF SOCIAL AND POLITICAL SCIENCE, 1(1), 1–8.

Ramlan, R., & Nahrowi, N. (2014). Sertifikasi Halal Sebagai Penerapan Etika Bisnis Islami Dalam Upaya Perlindungan

Bagi Konsumen Muslim. AHKAM: Jurnal Syariah, *17*(1), https://doi.org/10.15408/ajis.v17i1.1251

Sari, D. I. (2019). Perlindungan Hukum Atas Label Halal Produk Pangan Menurut Undang-Undang. Repertorium: Ilmiah Hukum Kenotariatan, 7(1), 1. https://doi.org/10.28946/rpt.v7i1.264

Siti Muslimah. (2012). Label Halal Pada Produk Pangan Kemasan Dalam Perspektif Perlindungan Konsumen Muslim. Yustisia, 86-97. file:///E:/KUMPULAN-JURNAL/LABEL-HALAL/SITI-

MULIMAH.pdf

Sugiyono. (2019).MetodePenelitian Kuantitatif, Kualitatif dan R&D (II). PT. Alfa Beta.

Syafrida. (2017). Sertifikat Halal Pada Produk Makanan Dan Minuman Memberi Perlindungan Dan Kepastian Hukum Hak-Hak Konsumen Muslim. ADIL, 2(1), 73-80. https://media.neliti.com/media/publications/ 135011-ID-sertifikat-halal-pada-produkmakanan-dan.pdf

Wahyuningrum, at, A. (2017). Strategi Dakwah Mui (Majelis Ulama Indonesia) Jawa Tengah Melalui Sertifikasi Halal. Jurnal Ilmu Dakwah, 35(2), https://doi.org/10.21580/jid.v35.2.1618 Winardi, 2010, Pemasaran dan Perilaku

Konsumen

Zulham, 2018, Peran Negara dalam Perlindungan Konsumen Muslim terhadap Produk halal, Kencana, jakarta.