Halal Awareness of Muslim Millennials Toward Cosmetics and Skincare Decision

Marizsa Herlina*, Nur Azizah Komara Rifai
Department of Statistics
Universitas Islam Bandung
Bandung, Indonesia
*Marizsa.herlina@unisba.ac.id

N. Sausan Muhammad Sholeh
Department of Dakwah
Universitas Islam Bandung
Bandung, Indonesia

Nety Kurniaty
Department of Pharmacy
Universitas Islam Bandung
Bandung, Indonesia

Abstract—**Indonesia government has planned that all of the cosmetics distributed in Indonesia must have the halal certification in 2019. Therefore, it is important for Muslims in Indonesia to have a halal awareness in consuming cosmetics and skincare products. This study explores what variables influence the halal awareness of Muslim millennials towards their decision in choosing cosmetics/skincare. As far as the researchers' knowledge, until now there is no research about halal awareness on Muslim millennials generation in Indonesia. This research will fill the gap by determining the impact of halal awareness factors to cosmetics selection decision especially for Muslim millennials in Bandung. There are 143 university students' samples across Bandung which consist of Islamic university and other university students. By using PLS structural equation modelling, the results show that the knowledge of Halal Products significantly influences the Islamic understanding which indirectly affect the Halal cosmetic adoption. This means that their knowledge about halal products makes their awareness of halal product increase as well. This study suggest that halal awareness can be promoted by increasing the halal product knowledge to the Muslim community by using lecture, talks, or public service ads in order to accelerate the Halal certification policy.**

Keywords: cosmetics, halal awareness, SEM PLS, skincare

I. INTRODUCTION

The muslim populations have been increasing greatly in every part of the world. Approximately 23% of global citizens are Muslims and it is predicted to grow as much as 1.8% annually. So that in 2050, the total of muslim populations in the world will become 30% of the global citizens [1]. This shows that Islam will become the religion of one third of the global citizen which means that Islamic principles will be one of the significant principles in the world. One of the principles that become a guidance or foundation of Muslim's consumptions behavior is the halal principle. The Muslims are obligated to consume halal and *thayyib* (good) product for the body. This means that the needs of halal product will increase significantly.

The definition of halal in Arabic is allow. The Muslim is obligated to consume the halal and *thayyib* (good) products for the body. The law that explained the halal goods are explained in the Holy Book of Qur'an and the hadits of the prophet SAW. For example, it is stated in (Al-Maidah: 3) and also in (Al-Baqarah: 168) verse. The halal cosmetics is a cosmetics that do not contain any of the haram material in the production and thayyib which means that the products also contain high quality material that also good for our body [2]. The Haram materials are pork and its derivation, animals that are not Islamically slaughtered, carnivores [3], dead animal body, ethyl alcohol/methylated spirit/etanol, and humans parts.

Indonesia as the most Muslim populated country in the world with 209.1 million Muslim living there [1] has been concerned about the halal status of goods that are distributed in Indonesia. Therefore, the Indonesia government already have a certified body who can issue the halal status certificate. It is the Food, Drug and Cosmetic Research Institute of Indonesian Ulema Council (LPPOM MUI). The products which have the halal logo from LPPOM MUI is guaranteed to not having any haram materials and it can be safely consumed by Muslims.

However, as time goes by, various foods and cosmetics have been imported to Indonesia and most of the times, the halal status of those products cannot be verified, especially for cosmetics. Based on The Indonesian Central Beaurau of Statistics (BPS), for the first semester in 2018 (2.02 trillion rupiahs) imported cosmetics products has already increased as much as 66.87% from the first semester in 2017 [4]. Other than that, based on National Agency of Drugs and Food Control (BPOM), the import product has been dominating almost 60% of the cosmetic market in Indonesia [5]. As the products' variants keep rising, this affected the cosmetics selection decision especially for Muslim millennials who like to try new things. Therefore, Indonesian government has a plan that all of the food and cosmetic products distributed in Indonesia must be halal certified in 2019. So, it is important for Muslim millennials to have a good halal awareness (in spotting the logo

or checking the material list of the products) and make it the main factor of their decision in consuming a product. Thus, this research aims to know which halal awareness factors affected the selection of the cosmetics of Muslim millennials and it is conducted in Bandung. Bandung as one of the famous student cities in Indonesia is a good town for Muslim millennials gathering.

Several studies have been conducted in order to see the Muslims' awareness towards Halal products [6-9]. In the research of halal foods, Simanjuntak and Dewantara finds the factor that affecting IPB University Student in halal logo awareness on foods product [6]. These factors are halal product knowledge, Principle of Individual Islamic values, age, and buying behavior. And for cosmetics products, the Islamic values have more impact in halal product selection compare to halal knowledge among Muslim consumers in Malaysia [7]. Both of the studies used regression analysis as the analytics tool. The possibilities of the independent variables which can affect other independent variables (endogenous relationship) such as Islamic values and Islamic knowledge that can be impacting each other is not considered in the regression analysis where this situation can result to bias in model calculations (inaccurate model). Therefore, Mohezar et. al, use the structural equation modeling (SEM) can be used to solve the endogenous problems [8]. The result of Mohezar et. al, shows that the Islamic principal which has been held by consumers affect the cosmetic product characteristics, enviromental influence and consumers' innovation in searching or trying new cosmetics [8]. These 3 variables impact the buying decision of halal cosmetics in Malaysia.

The sample used in Mohezar et. al, [8] is specified later by Osman and Aziz by focusing on the Muslim milennials due to the innovation characteristics that they had but they still need guidance in Halal cosmetics selection decision [9]. So that the education about halal cosmetics can be targeted to Muslim milennials generation. The results show that in Malaysia, the halal awareness of Muslim milennials is quite high and their preference of Halal cosmetics is highly related to their consumer behavior towards Halal cosmetics, religion understanding and awareness of halal cosmetics production.

As far as the researchers knowledge, until now there is no research about halal awareness on Muslim milennials generation in Indonesia. This research will fill the gap by determining the impact of halal awareness factors to cosmetics selection decision especially for Muslim milennials in Bandung.

The awareness in the context of halal is having special interest and well informed of all the halal products. The consumer is said to have an halal awareness if they paying attention to what they eat, drink, or use [10]. There are 5 halal awareness factors which affecting the consumer on buying decisions. Those variables are Islamic understanding, halal logo, knowledge of halal products [10], and consumer innovation [8]. The innovation the diffusion of innovation theory states that the product innovation, environment's influence, and individual innovation can affect the innovation product usage. The product innovation in this research is the halal cosmetics products and the individual innovation is the

consumer innovation in searching or trying the new cosmetic products [8]. This research mixes the halal awareness factors and added the consumer innovation in the model. The definition of each variables is the following:

A. Product Characteristics

Product characteristics that have an Islamic value is important for Muslim consumers. The halal cosmetic products must conform the sharia and government's law and also safety regulations in order to be halal and thoyyib.

B. Environment's Influence

Even though a consumer does not have any specific feelings for halal cosmetics but the behavior of their family and friends also have an impact in their behavior towards a product. The expectation from the environment also makes a consumer decides to use the halal cosmetic products.

C. Consumer's Innovation

The consumer who are more open in trying something new might face difficulties in replacing the cosmetic product which usually do not contain halal label into halal cosmetics. The consumers who innovated by looking for benefits of halal cosmetics and dare to try it are the consumers who will use the halal cosmetics.

D. Islamic Understanding

The more knowledgeable consumer in Islamic understanding, the more probabilities that the consumer will choose halal products and vice versa. The Islamic understanding do not only affect the decision in using halal cosmetics but it also has a stand in determining the product characteristics, environments and consumer innovation.

E. Knowledge of the Halal Product

The knowledge in Halal sharia or law of a product is important because they can influence the consumer behaviour towards a halal product.

This study determined which halal awareness factor that affects the cosmetics/skincare decision significantly by using SEM.

II. METHODOLOGY

The research began with choosing the right sample to represent the millennials in Bandung. The Millennials will be represented by university students in Bandung. The University in Bandung can be categorized into two types which are Islamic University and general university. The sampling method used is purposive sampling with 5 Islamic University and 5 general University and for each university, 10 respondents are gathered.

Next, the questionnaire and indicators used in this research can be seen in table 1. The latent variables used in this research are product characteristics, environment influence, individual innovation, halal skincare/cosmetics adoption, Islamic understanding [8], the cosmetics knowledge in this research were divided into two which are halal product sharia

knowledge and dangerous cosmetics materials knowledge. The indicators of the latent variables can be seen in Table 1 and the SEM figure is shown in Table 3.

TABLE I.   LIST OF LATENT VARIABLES AND ITS INDICATORS

No	Variable*	List of Latent Variables and its Indicators
	X1(ξ_1)	*Product Characteristics*
1	X11	Halal Skincare/Cosmetics contain good materials for our body
2	X12	Halal Skincare/Cosmetics contain safe and high quality materials
3	X13	Halal Skincare/Cosmetics contains materials which conforms the sharia law
4	X14	I always choose Halal Skincare/Cosmetics products even though I do not know the brand
5	X15	It is difficult for me to differ the Halal Skincare/Cosmetics because the material is not listed or there are no Halal MUI logo on the product
	X2(ξ_2)	*Environment influence*
6	X21	Most of the people in my circle use Halal Skincare/Cosmetics
7	X22	When I am choosing Skincare/Cosmetics product, I tend to follow my friends' advices
8	X23	I choose Halal Skincare/Cosmetics
9	X24	I choose Halal Skincare/Cosmetics because it is reccomended by my favorite beauty vlogger/influencer/MUA/public figure
	X3(ξ_3)	*Individual Innovation*
10	X31	I like to try new Skincare/Cosmetics
11	X32	I usually the first person who try new Skincare/Cosmetics among my friends.
12	X33	I like to experiment with Skincare/Cosmetics
13	X34	Before I decided to try or use cosmetics/skincare products, I always looking for detail information about that product (materials, functions and halal status)
	Y2(η_1)	*Halal Skincare/Cosmetics Adoption*
14	Y21	I prefer to use Halal Skincare/Cosmetics products
15	Y22	I will not use Skincare/Cosmetics if I doubt its halal status
16	Y23	I like to use Halal Skincare/Cosmetics product even though the price is higher than the one which do not have the halal status
17	Y24	I prefer Halal Skincare/Cosmetics even though the clerk in the store offered the cosmetics which do not have halal status
	Y1(η_2)	Islamic Understanding
18	Y11	I pray 5 times a day
19	Y12	I fast in Ramadhan month
20	Y13	I recite Al-Qur'an everyday
21	Y14	I spend Sodaqah regularly
22	Y15	I tend to avoid small and big sin
	X4(ξ_4)	*Halal Product Sharia Knowledge*
30	X41	I prefer to choose cosmetic which have a halal logo
23	X42	I agree that halal logo from LPPOM MUI ensures that the cosmetics materials are halal
25	X43	I agree that Skincare/Cosmetics products which have halal logo from LPPOM MUI have been strictly tested by LPPOM MUI
26	X44	I agree that Skincare/Cosmetics products which contain animal derived material can be consumed by Muslim
27	X45	I agree that Skincare/Cosmetics products which contain alcohol cannot be used by Muslim
28	X46	I agree that Skincare/Cosmetics which contain cetearyl and cetyl alcohol can be consumed by Muslims
29	X47	I agree that the dangerous material in cosmetics product such as mercury etc cannot be consumed by Muslim

Table 1.Cont.

	X5(ξ_5)	*Dangerous cosmetics materials knowledge*
31	X51	I used Skincare/Cosmetics approved by BPOM
32	X52	Skincare/Cosmetics cannot contain perfume, paraben, triclosan, sodium, lauryl sulfat, phthalates, petrolatum, oxy-benzone, formal dehyd, lead (Pb)
33	X53	Skincare/Cosmetics can contain chlorophyll, galactoarabinan, kakadu plum, jojoba oil

*where ξ_i and η_j with i = 1,2,3,4,5 and j=1,2 are the symbol for exogen latent and endogen latent variables, respectively.

After that, the survey was conducted in the selected Islamic and general universities which are Bandung Islamic University, Al Ghifari University, Universitas Islam Nusantara, UIN Sunan Gunung Djati Bandung, Universitas Muhammadiyah Bandung as the representative of Islamic University and Universitas Padjadjaran, Universitas Pendidikan Indonesia (UPI), Bandung Insitute of Technology (ITB), Telkom University and STIE Ekuitas Bandung as the representative of general university. After the data collection, the analysis began with the descriptive analysis of the data in order to see the halal awareness level of the millennials and next the SEM analysis is used in order to see the factors that influence the decision of halal skincare/cosmetics' adoption.

Based on Jaya and Sumertajaya, the steps of SEM-PLS are first, designing the structural model (the inner model) between latent variables based on the hypothesis [11]. In this case, we have 7 latent variables which consist of 5 exogen latent variables such as product characteristics, environment influence, individual innovation, halal product sharia knowledge and dangerous cosmetics materials knowledge and 2 endogen latent variables such as halal skincare/cosmetics adoption and Islamic understanding.

Second step is designing the measurement model (the outer model). In this step, we can see if the indicators are reflective or formative. The reflective indicator has an assumption of the construct measurements variance is coming from the true score plus error and it has the characteristics such as the causality comes from the construct to the indicators, the indicators are correlated, erasing one indicator does not change the meaning of the construct and the error measurement is on the indicator levels. So in this study we use the reflective indicators.

Third step is constructing the path diagram, the results from first and second step is illustrated in the path diagram. The path diagram between latent variables can be seen in figure 1.
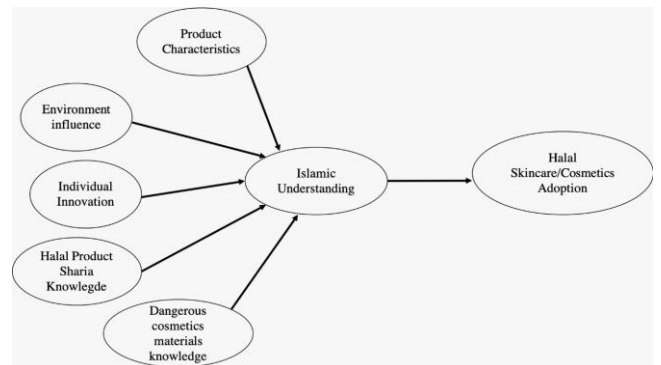

Fig. 1. Halal awareness muslim milennials towards cosmetics decision path diagram.

The forth step is converting the path into the outer and inner model. All of the indicators variables are reflective, so the outer model which represents the relationship between latent and its indicators are:

$$
\begin{aligned}
x_{11} &= \lambda_{x11}\xi_1 + \delta_1 & x_{45} &= \lambda_{x45}\xi_4 + \delta_4 \\
x_{12} &= \lambda_{x12}\xi_1 + \delta_1 & x_{46} &= \lambda_{x46}\xi_4 + \delta_4 \\
x_{13} &= \lambda_{x13}\xi_1 + \delta_1 & x_{47} &= \lambda_{x47}\xi_4 + \delta_4 \\
x_{14} &= \lambda_{x14}\xi_1 + \delta_1 & x_{51} &= \lambda_{x51}\xi_5 + \delta_5 \\
x_{15} &= \lambda_{x15}\xi_1 + \delta_1 & x_{52} &= \lambda_{x52}\xi_5 + \delta_5 \\
x_{21} &= \lambda_{x21}\xi_2 + \delta_2 & x_{53} &= \lambda_{x53}\xi_5 + \delta_5 \\
x_{22} &= \lambda_{x22}\xi_2 + \delta_2 & y_{11} &= \lambda_{y11}\eta_1 + \varepsilon_4 \\
x_{23} &= \lambda_{x23}\xi_2 + \delta_2 & y_{12} &= \lambda_{y12}\eta_1 + \varepsilon_4 \\
x_{24} &= \lambda_{x24}\xi_2 + \delta_2 & y_{13} &= \lambda_{y13}\eta_1 + \varepsilon_4 \\
x_{31} &= \lambda_{x31}\xi_3 + \delta_3 & y_{14} &= \lambda_{y14}\eta_1 + \varepsilon_4 \\
x_{32} &= \lambda_{x32}\xi_3 + \delta_3 & y_{21} &= \lambda_{y21}\eta_2 + \varepsilon_5 \\
x_{33} &= \lambda_{x33}\xi_3 + \delta_3 & y_{22} &= \lambda_{y22}\eta_2 + \varepsilon_5 \\
x_{34} &= \lambda_{x34}\xi_3 + \delta_3 & y_{23} &= \lambda_{y23}\eta_2 + \varepsilon_5 \\
x_{41} &= \lambda_{x41}\xi_4 + \delta_4 & y_{24} &= \lambda_{y24}\eta_2 + \varepsilon_5 \\
x_{42} &= \lambda_{x42}\xi_4 + \delta_4 & y_{25} &= \lambda_{y25}\eta_2 + \varepsilon_5 \\
x_{43} &= \lambda_{x43}\xi_4 + \delta_4 & \\
x_{44} &= \lambda_{x44}\xi_4 + \delta_4 &
\end{aligned}
\tag{1}
$$

Where the ξ represents the exogen latent, η for the endogen latent, λ is the loadings or the regression coefficients, δ and ε are the error of measurements. Meanwhile, the inner models are:

$$
\eta_1 = \gamma_1\xi_1 + \gamma_2\xi_2 + \gamma_3\xi_3 + \gamma_4\xi_4 + \gamma_5\xi_5 + \zeta_1
\tag{2}
$$

$$
\eta_2 = \beta_1\eta_1 + \zeta_2
\tag{3}
$$

Where the γ is the path coefficient which connect the endogen with the exogen latent, β is the path coefficient which connect endogen latent with the other endogen latent and ζ is the error measurement of the inner model.

The fifth step is estimating the models' coefficient using least square methods. The sixth step is checking the goodness of fit of the models using convergent validity so the loading value of the indicators need to be more than 0.5 in order to be valid.

For the inner model, the goodness of fit can be seen by calculating R-square for the dependent latent variable and the Q-Square predictive relevance for structural model. The formula for Q-square is:

$$
Q^2 = 1(1 - R_1^2)(1 - R_2^2) \dots (1 - R_p^2)
\tag{4}
$$

Where R_1^2, R_2^2, R_p^2 are the R-square of endogen variable in the model. The value of Q-square range in between 0 and 1 so the more it getting closer to 1, the better the model is.

The seventh step is the hypothesis testing for the outer and the inner model. The hypothesis for the outer model is:

$$
H_0: \lambda_i = 0 \text{ vs } H_1: \lambda_i \neq 0
\tag{5}
$$

and the hypothesis for the inner model of the impact from exogen latent to endogen latent is:

$$
H_0: \gamma_i = 0 \text{ vs } H_1: \gamma_i \neq 0
\tag{6}
$$

Meanwhile, the hypothesis for the impact from the endogen latent to other endogen latent is:

$$
H_0: \beta_i = 0 \text{ vs } H_1: \beta_i \neq 0
\tag{7}
$$

The t-test is used for this hypothesis testing.

III. RESULTS

A. Data

There are 142 samples which 40 samples are used for the pre-survey analysis in questionnaires' validity and reliability test. The data primarily collected using survey and the sampling method used is purposive sampling method. The sample characteristics is divided by two which are Islamic University and General University. There are 22 Male (15%) and 121 Female (85%) in this survey who are university students from Islamic and General University. There are 92 samples (36%) coming from general university students and 51 samples from the Islamic university students (64%).

It can be seen from table 2 that the average of halal awareness factors such as product characteristics, environment influence, individual innovation, halal product sharia knowledge, and dangerous cosmetics materials knowledge are all above 3. This means that in those factors the respondents can recognized the halal logo and also the halal sharia well. But in several indicators of individual innovation there are 2 out of 4 indicators with score below 3, this means that the average of the samples does not like to experiment on cosmetics and they are also not a pioneer in trying new cosmetics. But overall, the halal awareness of the respondent is already good.

TABLE II.   THE AVERAGE SCORE OF HALAL AWARENESS FACTORS AND HALAL/SKINCARE ADOPTION BASED ON THE UNIVERSITY

No	Variable	Islamic University	General University	No	Variable	Islamic University	General University
1	X11	4.18	4.33	17	Y24	3.74	3.51
2	X12	4.17	4.22	18	Y11	4.53	4.39
3	X13	4.17	4.29	19	Y12	4.83	4.84
4	X14	3.32	3.12	20	Y13	3.97	3.43
5	X15	3.59	3.98	21	Y14	3.82	3.96
6	X21	3.38	3.27	22	Y15	4.11	3.96
7	X22	3.2	3.31	30	X41	4.04	3.75
8	X23	3.17	3.1	23	X42	4.14	4.25
9	X24	3.54	3.49	25	X43	4.22	4.25
10	X31	3.08	3.43	26	X44	3.48	3.45

Table 2. Cont.

11	X32	2.42	2.47	27	X45	3.71	3.37
12	X33	2.51	2.8	28	X46	3.09	3.18
13	X34	3.95	4.04	29	X47	3.96	3.82
14	Y21	4.14	4	31	X51	4.46	4.35
15	Y22	3.61	3.22	32	X52	3.68	3.51
16	Y23	3.79	3.55	33	X53	3.51	3.59

The level of adopting halal cosmetics is also quite high with the average over 3.5 for respondent in the Islamic University and over 3.2 for respondent in the general university. This fact also shows that the Halal skincare/cosmetics adoption of the respondents are relatively good.

B. SEM Analysis

1) Questionnaire reliability and validity analysis: The pre-survey analysis in this research are questionnaire reliability and validity analysis. The analysis is conducted by using the SEM PLS methods which use the outer loading for each indicator. If the outer loading score of the indicator is more than 0.5 then that indicator is valid and reliable. the results of the outer loading score can be seen in table 3.

TABLE III.   OUTER LOADING OF THE INDICATORS

No	Variable	Outer Loadings	No	Variable	Outer Loadings
1	X11	0,380*	17	Y24	0,909
2	X12	0,272*	18	Y11	0,704
3	X13	0,232*	19	Y12	0,563
4	X14	-0,636	20	Y13	0,787
5	X15	0,432*	21	Y14	0,803
6	X21	0,501	22	Y15	0,706
7	X22	0,481*	30	X41	0,746
8	X23	0,632	23	X42	0,688
9	X24	0,800	25	X43	0,652

Table 3. Cont.

10	X31	0,796	26	X44	0,730
11	X32	0,819	27	X45	0,310*
12	X33	0,680	28	X46	0,496*
13	X34	0,709	29	X47	0,094*
14	Y21	0,831	31	X51	0,421*
15	Y22	0,840	32	X52	0,655
16	Y23	0,901	33	X53	0,703

*The variables are not valid and reliable because the outer loading score < 0.5.

There are 9 indicators that are not valid and reliable from 33 indicators, so those 9 variables are not included in the model.

2) Estimation of the inner and outer model: After the reliability and validity analysis are conducted, we estimate the structural model which can be seen in formula (2), (3) and the results are:

$$Y_1 = -0,004\,X_1 + 0,165\,X_2 + 0,127\,X_3 + 0,284\,X_4 + 0,047\,X_5 \qquad (8)$$

$$Y_2 = 0,452\,Y_1 \qquad (9)$$

Where the X_i or ξ_i is the exogen latent variable with i = 1, 2, 3, 4, 5 and Y_j or η_j is the endogen latent variable with j = 1, 2. The explanation of all variables can be seen in table 3. Next, the inner model coefficient estimation of the model can be found in Table 4 and all of the coefficient estimation can be found in Figure 3.

TABLE IV.   THE PATH COEFFICIENT ESTIMATION OF THE MODEL

Variable Relationships	Coefficient	Average	Standar Deviation	T-Statistics	P-Value
Individual Innovation -> Islamic Understanding	0,127	0,12	0,092	1,378	0,169
Product Characteristics -> Islamic Understanding	-0,004	-0,001	0,068	0,059	0,953
Environment Influence -> Islamic Understanding	0,165	0,18	0,091	1,827	0,068
Dangerous cosmetics materials knowledge -> Islamic Understanding	0,047	0,06	0,088	0,533	0,594
Halal Product Sharia Knowlegde -> Islamic Understanding	0,284*	0,29	0,092	3,074	0,002
Islamic Understanding -> Halal Skincare/Cosmetics Adoption	0,452*	0,46	0,072	6,257	0,000

*significant by using 1% significant level. Source: data analysis

Based on the results in table 4, it shows that the environment influence, individual innovation, and Dangerous cosmetics materials knowledge have a positive impact to Islamic understanding but only Halal Product Sharia Knowledge which has a positive and significant impact to Islamic understanding. There is also a significant impact from Islamic Understanding to the Halal Skincare/Cosmetics Adoption.
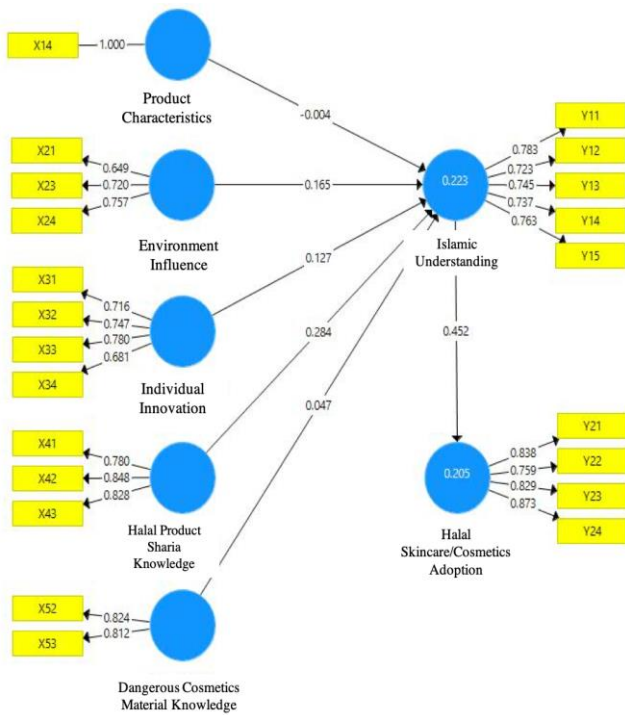
Fig. 2. The path coefficient estimation of inner and outer model.

After the model is estimated, the next step is the evaluation of the goodness of fit in the structural model. The Q-square is calculated from the R-square in order to see the goodness of fit. The results for R-square from model in formula (8) and (9) are showed in Table 5.

TABLE V.   THE R-SQUARE OF THE STRUCTURAL MODELS

Structural model endogen	R-square
Islamic Understanding (Y_1)	$R_1^2 = 0.223$
Halal Skincare/Cosmetics Adoption (Y_2)	$R_2^2 = 0.205$

The Q-square can be calculated using formula (4), so the Q-square is

$$Q = 1 - (1 - 0.223)(1 - 0.205) = 0.382 \quad (10)$$

This shows that the variables in the structural models have not been able to explain most of the variation in the Islamic understanding and the halal skincare/cosmetics adoption. This can happen because only 1 exogen variable which significantly impact the endogen variables.

IV. DISCUSSIONS

The results of this study surprisingly contrast with the result of [8], while they found that cosmetic product characteristics, enviromental influence and consumers' innovation in searching or trying new cosmetics as the factors that impact the buying decision of Halal cosmetics in Malaysia, the analysis in Indonesia show different result. The findings of this study is that the only factor that affect the the cosmetics/skincare adoption is the halal product sharia knowledge and it is moderated by the Islamic Understanding. This shows that the people who decides to buy a Halal product is affected by their

knowlegde of the halal sharia or law so it supports the motion that the knowledge of the consumer can affect the attributes evaluation of a product [12].

The implication of this finding for the Halal cosmetics company is they need to emphasize their strength in Halal cosmetics and spread the knowledge of the their Halal cosmetics materials' benefits directly to Muslim millennials. This way they can increase their brand awareness to the Muslim millennials.

The other thing is that the islamic understanding significantly moderates the relationship between halal product sharia and halal cosmetics adoption. This match with the findings of Hamza that the Islamic understanding of a consumer can affect their consumer behavior [13]. The Islamic value that the consumer held obviously affected their behavior towards halal product. The more a consumer attached to the Islamic value, the more possibilities that they use the halal cosmetics/skincare in their life.

However, the drawback of this study is that the overall model has a small Q-square which means that the models have not been able to explain most of the variation of the endogen variables. This can happen because the lack of the significant exogen variable or lack of samples.

V. CONCLUSIONS

The results show that the halal awareness of the respondent is already good which means that the Muslim millennials have known the halal product characteristics and also its sharia. Next, based on the SEM PLS analysis, the halal product sharia knowledge variable is the only variable which significantly impact the Islamic understanding and the Islamic understanding is also significantly affect the adoption of halal skincare/cosmetics. This means that the bigger Muslim millennials who knows the halal product sharia knowledge of skincare/cosmetics the more Muslim millennials who will choose the Halal skincare/cosmetic products compare to the non-halal or doubtful products.

But the drawbacks in this research is the exogen variable in the model in this research still cannot explain the variance of the endogen variables. So, for further research, researchers could add other variables and also add more samples in order to get a more suitable model.

REFERENCES

[1] Pew Research Center, "The Future of World Religions: Population Growth Projections, 2010-2050," 2015.

[2] N. H. Endah, "Perilaku Pembelian Kosmetik Berlabel Halal oleh Konsumen Indonesia," J. Ekon. dan Pembang., vol. 22, no. 1, pp. 11–25, 2014.

[3] F. Salman and K. Siddiqui, "An exploratory study for measuring consumers awareness and perceptions towards halal food in Pakistan," Interdiscip. J. Contemp. Res. Bus., vol. 3, no. 2, pp. 639–651, 2011.

[4] R. Hanung, "Mau Dihambat, Ini Nilai Impor Kosmetika di RI," CNBC Indonesia, 2018. [Online]. Available: https://www.cnbcindonesia.com/market/20180830161818-17-31039/mau-dihambat-ini-nilai-impor-kosmetika-di-ri. [Accessed: 08-Jan-2019].

[5] W. B. Prasetyo, "Tata Kelola Impor Kosmetik Perlu Diperbaiki," Berita Satu, 2017. [Online]. Available: https://www.beritasatu.com/makro/411989-tata-kelola-impor-kosmetik-perlu-diperbaiki.html. [Accessed: 08-Jan-2019].

[6] M. Simanjuntak and M. M. Dewantara, "The Effects of Knowledge, Religiosity Value, and Attitude on Halal Label Reading Behavior of Undergraduate Students," Asean Mark. J., vol. 6, no. 2, pp. 65–76, 2014.

[7] A. N. Ahmad, A. A. Rahman, and S. A. Rahman, "Assessing Knowledge and Religiosity on Consumer Behavior towards Halal Food and Cosmetic Products," Int. J. Soc. Sci. Humanit., vol. 5, no. January, 2015.

[8] S. Mohezar, S. Zailani, and Z. Zainuddin, "Halal Cosmetics Adoption Among Young Muslim Consumers in Malaysia : Religiosity Concern," Glob. J. Al-Thaqafah, vol. 6, no. 1, pp. 47–60, 2016.

[9] L. H. Osman and R. S. Aziz, "Millenial Generations' Awareness of Halal Supply Chain and Related Food Product in Malaysia," Int. J. Accounting, Financ. Bus., vol. 3, no. 12, pp. 12–24, 2018.

[10] A. R. Ambali and A. N. Bakar, "People's Awareness on Halal Foods and Products: Potential Issues for Policy-makers," Procedia - Soc. Behav. Sci., vol. 121, no. September 2012, pp. 3–25, 2014.

[11] I. G. N. M. Jaya and I. M. Sumertajaya, "PEMODELAN PERSAMAAN STRUKTURAL DENGAN PARTIAL LEAST SQUARE," in Semnas Matematika dan Pendidikan Matematika, 2008, pp. 118–132.

[12] J. Hong and B. Sternthal, "The Effects of Consumer Prior Knowledge and Processing Strategies on Judgments," J. Mark. Res. - J Mark. RES-CHICAGO, vol. 47, pp. 301–311, Apr. 2010.

[13] K. Hamza, "Measuring Religiosity in Consumer Research From an Islamic Perspective," J. Econ. Adm. Sci., vol. 26, no. 1, pp. 52–78, Jan. 2010.