The Influence of Knowledge and Religiosity with Mediation of Attitude Toward the Intention of Repurchasing Halal Cosmetics

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Abstract—The growth of Muslim population continues to increase and is expected to continue growing up to 2.2 billion by 2030. This makes the demand for halal products increase. However, it is not followed by supply from a trusted manufacturer for the halal product. This study wanted to know how the perception of halal in Islam can affect one’s intention of repurchase judged from the level of religiosity, knowledge, attitude and its impact in determining the intention of repurchasing halal cosmetics in Indonesia regardless of their religion. A total of 354 usable questionnaires from respondents over the age of 18, who purchased cosmetics in the last 6 months were used. This study used a self-administrated questionnaire with closed-ended questions. Data analysis was performed using conclusive descriptive cross-sectional analysis and Structural Equation Modeling (SEM) method using LISREL 8.51 software. The results in the study showed that there is a significant impact of religiosity and knowledge of the customers toward intention to repurchase halal cosmetics on an indirect relationship. The purpose of this study is to increase awareness of the society about the importance of halal products, not only for internal use but also external use. The mediating variable, attitude, become a significant variable to mediate the influence of religiosity and knowledge toward intention to purchase halal cosmetics. Meanwhile previous study showed that only religiosity has a significant result.

Index Terms—halal, religiosity, knowledge, influence, attitude, intention, repurchasing, halal cosmetics

I. INTRODUCTION

Halal is derived from the Arabic word which means to be allowed or valid. Conversely, haram in Arabic means prohibited or invalid. A general understanding of halal products is products that are not contaminated with pigs or alcohol, and animal slaughter must be done in accordance with the provisions of sharia. Islam is a “way of life” for the Muslim community which contains rules that regulate every aspect of human life, including consumer behavior. Halal products, in general, are products that do not contain pork, alcohol or rum, and also use sharia principles for the process of slaughtering animals. The growth of awareness and popularity of halal products has resulted in many halal studies due to the public perception that halal food is healthier and safer. Indonesia is a country with the largest number of Muslims in the world, which is also a large potential market for consumables such as halal food, halal cosmetic products, and halal personal care. Statistical results show that 87% of Indonesians are Muslim. This makes the demand for halal products keep on increasing. However, the demand growth is not followed by supply from a trusted manufacturer for the halal product. Many previous studies only focused on halal food whereas in fact, the halalness of something actually should be implemented in every aspect of our life such as toiletries, medicines, cosmetics, and services including the finance, business, and investment industries. One of the factors that drive the growth of the Islamic economic sector is the rate of growth of the world’s Muslim population and the increased awareness of halal.

The world’s Muslim population is estimated to continue growing from 1.7 billion in 2014 to 2.2 billion by 2030. This is equivalent to 26.4% of the world’s total population. According to the Pew Global Attitude survey in 2015 from 42 countries, 83% of respondents from Islamic countries consider religion as very important in their lives. The cosmetics and personal care industry has become one of the most prominent and fast-growing markets. For example, by 2015, Muslim spending on cosmetics is estimated at 56 billion dollars in 2015, equivalent to 7 percent of global spending of $ 750 billion. This total expenditure increased 4% from the previous year and was higher than the market growth rate of only 2.4%. Muslim spending on cosmetics is estimated to reach 81 billion dollars by 2021, with a compound annual growth rate (CAGR) of 7% from 2015. Although the halal cosmetics market is huge, most cosmetics and personal care are manufactured by non-Muslim manufacturers in non-Muslim countries, which can lead to a suspicion over the halal nature of its raw materials. As a result, the cosmetics and pharmaceutical sectors are subjected to more rigorous research by Muslim scientists because of the suspicion that many international brands use ingredients derived from pork or alcohol as preservatives, generating great suspicion on foreign brands, especially among Muslim consumers in non-Muslim countries who are looking for halal products.

Previous research found some interesting findings of halal products. Firstly, people who use halal products have a high
loyalty level toward halal brands that are unlikely to be seriously affected by the economy [1], [2]. Secondly, non-Muslim communities also buy halal products due to the perception that halal products are safer to use than non-halal products [3], [4]. Non-Muslim consumers see halal logos to provide recognition and certainty about food products [5]. Also, although this study is a replication from the previous study conducted by Rahman, Asraraghighi, and Rahman [6], this study showed a different result and shows that knowledge has a significant result to the intention of repurchasing halal cosmetics in Indonesia. The reason for this research is due to the research inequality between halal cosmetic research compared to halal food research, in which research related to cosmetics and personal care products is still rarely done. Despite the importance of halal cosmetics markets for producers and consumers, the existing literature focuses only on halal food products, and only a handful of studies have discussed halal cosmetics. Furthermore, none of these studies assessed which variables could affect consumer attitudes toward the intentions of purchasing halal personal care. Therefore, the authors aim for this study to assess the effect of knowledge and religiosity as variables that affects consumer attitudes towards the intention of repurchasing halal cosmetics in Indonesia.

II. LITERATURE REVIEW

A. The Halal Concept

The importance of halal in a product is not only for products that are consumed into the body such as food, but also for all goods and services used by humans. This causes awareness of the importance of halal products such as cosmetics products are increasing. From some previous research showing that the consumer awareness of halal products is limited to internal consumption only. Whereas in fact in the Qur’an, halal is something that must be applied not only to what is consumed internally but also externally. Halal is a word from the Arabic language which in general has the meaning of permissible, allowed, valid or appropriate according to the law in Islam. On the contrary, haram comes from the Arabic language that means unlawful or prohibited in Islam. A general understanding of halal products are products that are not contaminated with pigs or alcohol, and animal slaughter must be done in accordance with the provisions of sharia.

B. Halal Certification

Products such as food, cosmetics and personal care with halal certification from Majelis Ulama Indonesia (MUI) has a purpose to facilitate the Muslim society for purchasing products so that people do not have to read the contents in the product and can be guaranteed halal because it is already marked with the official halal mark of MUI. The halal certificate of MUI is a requirement to get permission to include a halal label on product packaging from an authorized government institution. Halal certification on cosmetics and personal care products are considered to be very important considering not all people have enough knowledge about which content that is either included in the halal category or included in the haram category. Halal certificate from MUI itself is a written fatwa from Majelis Ulama Indonesia which states the halalness of a product and is in accordance with Islamic Shari’ah.

C. Religiosity

Religiosity is defined as the extent to which a person is committed to his religion is reflected in the attitude and behavior of the individual. In other words, religiosity is a person’s religious level and the extent to which the person applies his or her religious values in everyday life. In this context, the level of one’s religiosity can be said to be reflected in how one’s attitude in buying cosmetics that have a halal label. The higher the level of religiosity of a person, then he should have understood the importance of halal in everyday life because the use of cosmetic products and personal care that is not halal can affect the acceptance of one’s prayer. In the context of food, according to previous studies [7], [8], religion is playing one of the most influential roles in shaping food choices in many societies.

Religion itself is one of the most important social factors that affect the lives of those who believe in it. According to Essoo and Dibb [9] in [10] religion acts as the foundation on which people build their attitudes and behavior. Furthermore, in the context of the theory of consumption, according to previous studies [9], [11], [12], religious belief directs people’s attitudes and feelings towards various products, such as food, finances, cosmetics and pharmaceutical products. In Islamic law itself, there are laws that affect the consumption behavior of Muslim as regulated in the Qur’an and hadith.

D. Attitude

A survey of consumers in the UAE and Saudi Arabia found that consumers generally consider the importance of halal status, especially in terms of meat [2]. Although the study found that some consumers in the UAE are also concerned about the halalness of other products, such as toiletries, other research on UAE consumers conducted by Rajagopal et al. (2011) show that most consumers never see halal certification when buying cosmetic products and personal care, possibly because they associate halal with internal consumption only. Alam and Sayuti found that attitudes have a strong impact on consumer purchase intentions [4]. The greater influence of attitudes on purchasing intentions, the greater is the intention to buy halal food. In the study, Mukhtar and Butt also states that there is a significant relationship between the intention of purchasing halal food and the attitude to buy it [10].

Among the studies assessing this association for halal products was a study by Lada, et al. [13], who found that there was a positive influence of attitudes on intentions of halal products. According to Awan, Siddique, and Haider, states that attitudes have a tendency to act in a favorable way or not [14]. In other words, consumer attitudes are based solely on the belief and knowledge of a particular item or commodity in which it is a result of the process of pooling information which affects the individual’s goal to behave in a certain attitude.
E. Knowledge

According to Rahman, Asraraghaghighi, and Rahman, knowledge refers to facts, feelings or experiences known to a person or group of people [6]. According to Bang, Ellinger, Hadjimarcou, and Traichal, knowledge has an influence on intention through attitudes, therefore increasing knowledge has the possibility of influencing intentions [15]. Additionally, previous research findings by Hamdan, Issa, Abu, and Jusoff show that there is a weak relationship between halal food knowledge and purchasing decisions [16]. Regarding knowledge of halal in the context of cosmetics, some people may still not know what content is forbidden. Findings of Hamdan, et al. suggest that there is a weak link between knowledge of halal food and purchasing decisions [16]. In contrast, Abdul Aziz and Chok found that knowledge of halal food was positively related to the buying intention of non-Muslim consumers [5]. According to previous studies (e.g. [15]; Shepherd and Towler (1992)) knowledge has an influence on intent through attitude. Therefore, increasing knowledge will tend to affect intentions. In this context, it can be concluded that knowledge is indirectly influenced by the consumers’ selection of cosmetics because the higher the knowledge of someone, the more selective he becomes.

F. Purchase Intention

Intention or purchase intention is related to consumer behavior, perception, and attitude. Purchasing behavior is an important key for consumers in considering, evaluating, and actually purchasing certain products. However, purchasing intentions can be altered by the influence of price, perception of quality and perception of value [17], [18]. In addition, consumers will also be affected by the internal drive and the external environment during the buying process. Wu, Yeh and Hsiao explained that the purchase intention indicates the possibility that consumers will be planning or willing to buy certain products or services in the future [19]. Kotler and Keller states that purchasing intentions are consumer actions driven by internal and external factors that ultimately influence consumer decisions in making purchases based on personality traits and consumer decision-making processes [20]. Reham I. Elseidi’s study that found that Muslim consumer’s desire to buy halal-labeled products from supermarkets in the UK is determined by a positive attitude and a direct consumer attitude [21]. This is in line with the findings of Lada, et al. who found that subjective norms were positively and significantly related to the intentions of Arabian Muslim consumers to buy halal labeled foods [13]. These concepts imply that Muslim consumers are aware of the importance of buying products with halal labels and it will make a greater intention to buy those products.

III. RESEARCH METHODOLOGY

The data used for this study has a total of 354 respondents over the age of 18 years old and who purchased halal cosmetics in the last 6 months. This study uses a conclusive descriptive research design because the purpose of this research is to test the hypothesis and the relationship between variables like religiosity, knowledge, attitude, and intention to repurchase. Also to be precise, the research design that will be used in this research is cross-sectional because in this research the researcher collected secondary and primary data by using online survey like google form and did some research from previous journal and for collecting information for sample population at one period to describe the influence of the variables. This research also descriptively wants to know the influence of variables of knowledge and religiosity mediated by an attitude toward the intention of buying halal cosmetics product. This study used convenience sampling method with screening question (judgmental) to make sure the respondents have prior knowledge and experiences about halal cosmetics. This study used a self-administrated questionnaire with closed-ended questions, distributed by an online survey. The questionnaire used was Likert-scale on a scale of 1 to 5 (from strongly disagree to strongly agree) to show how many respondents agree or disagree to the twenty one-statements given as listed in table 2. Data analysis for this study was performed using SPSS for pre-test and Structural Equation Modeling (SEM) method using LISREL 8.51 software for the main test.

As you can see from figure 1, the proposed model shows the hypothesis presented as follows:

1) There is a positive influence between religiosity with attitudes toward halal cosmetics products.
2) There is a positive influence between knowledge with attitude toward halal cosmetics products.
3) There is a positive influence between attitudes toward halal cosmetics products on the intention of repurchasing halal cosmetics products.
4) There is a positive influence between religiosity with the intention of repurchasing of halal cosmetics products.
5) There is no positive influence between knowledge with the intention of repurchasing of halal cosmetics products.
TABLE I

<table>
<thead>
<tr>
<th>Indirect Relationship (With Mediation of Attitude)</th>
<th>Relation</th>
<th>T-Value</th>
<th>Interpretation</th>
<th>T-Value</th>
<th>Type of Mediation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Religiosity → Attitude</td>
<td>2.96</td>
<td></td>
<td></td>
<td>16.74</td>
<td>There's a mediation</td>
</tr>
<tr>
<td>Knowledge → Attitude</td>
<td>9.10</td>
<td></td>
<td></td>
<td>16.74</td>
<td>There's a Mediation</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Direct Relationship (Without Mediation)</th>
<th>Relation</th>
<th>T-Value</th>
<th>Interpretation</th>
<th>Type of Mediation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Religiosity → Intention to repurchase</td>
<td>1.33</td>
<td>Not Significant</td>
<td>Full Mediation</td>
<td></td>
</tr>
<tr>
<td>Knowledge → Intention to repurchase</td>
<td>0.28</td>
<td>Not Significant</td>
<td>Full Mediation</td>
<td></td>
</tr>
</tbody>
</table>

Source: LISREL 8.51 Output

IV. RESULTS

Based on 354 data samples used in the study, the majority respondent gender is females with 96.33%. The majority of respondent religion is Muslim with 97.18%. As for monthly income, the majority of respondent have income from the range of Rp 3,000,000 and above with 30.23%. The majority for educational level of respondent is bachelor degree with 43.79%. Meanwhile, the majority of respondent ages are from the range of 18–24 with 68.37%. Most of the respondents job are students or college students with 55.08%. In terms of residence, most respondents live in West Java with 29.37%.

From the output from LISREL 8.51 by running the collected data, shows that the result of the data is reliable and valid. To check if the data is reliable, we can analyze it by looking at the value of construct reliability and variance extracted. As for Validity, it can be seen by looking at the values of T-Value and SLF. Based on Wijanto, a variable is valid if it has a value of SLF ≥ 0.50 and t-value ≥ 1.96 (2-tailed) and t-value ≥ 1.645 for (1-tailed) [22]. In Igbaria itself there is an assumption that SLF above 0.3 can still be considered [23]. Meanwhile, to analyze the reliability it can be calculated by the Construct Reliability and Variance Extracted. If the results of its construct reliability ≥ 0.70 and its Variance Extracted ≥ 0.50, then the indicator can be said reliable Hair, et al. (2007) in [22].

As for fit test section with measurement and structural Goodness of Fit, this study used 8 measurements used to provide an assessment of Goodness-of-Fit, namely Normed X², Goodness-of-Fit Index (GFI), Root Mean Square Error of Approximation (RMSEA), Standardized Root Mean Square Residual (SRMR), The Normed Fit Index (NFI), the Non-Normed Fit Index (NNFI), the Comparative Fit Index (CFI), and the Incremental Fit Index (IFI). The result from structural goodness of fit showed that the data is a good fit as the normed X² in this study was 3.127, which means acceptable because the critical value can be said to be very good if it is below 2.0 and acceptable if the value is between 2.0 to 5.0. In Absolute Fit measurement, it is shown from the GFI value is 0.87, since the minimum acceptable critical value requirement is 0.8 so it is still marginal fit and can be categorized as a good fit if the result is 0.9 and above. Meanwhile the results of the RMSEA value shows a good fit, which is 0.078. The RMSEA value can be categorized as a good fit if it is between the range of 0.05 to 0.08. Furthermore, SRMR value shows an acceptable number which is 0.093. For SRMR values can be categorized very well if the critical value is shown below or equal to 0.05 and is acceptable if below 0.09 [24]. As for the value of CFI in this study can be categorized as a good fit with the score of 0.94. This illustrates that the comparison between the research model and the independent model or null model, which is assumed to have no correlation. In addition, the results shown from the NFI is 0.91 which describes the relative compatibility of 91% against the null model. Researchers also use NNFI in this study, because it is considered not too sensitive to these things. The result showed NNFI is 0.92 which indicates if there is a 92% conformity to the null model. The last measurement is IFI, where the results showed are 0.94 which fall into the category good fit. In CFI measurements, IFI, NFI, and NNFI can be said to be a good fit if it is above or equal to 0.90, but in fact, the model is acceptable if the value shown is between 0.80 to 0.90.

V. DISCUSSION

Based on the data, we can categorize the variable into two types of mediation, either partial mediation or full mediation as described in table I. As we can see from table I, it can be concluded if the variable of religiosity and knowledge of halal cosmetics need a mediation through the variable of attitude to be significant because in a direct relationship the result produces an insignificant. Compared to the previous research which show an insignificant result between the relationship variable knowledge of halal cosmetics and attitude, this research shows that the relationship is significant. The conclusion of halal cosmetics is that the variable of religiosity and knowledge has a Full Mediation type. This indicates that to increase and strengthen the level of religiosity and level of knowledge, a person must go through a long process to be able to form a person’s attitude so that will indirectly affect their daily life and implement their knowledge and belief to repurchase halal cosmetics.

VI. CONCLUSION

This study shows that for a direct relationship, neither religiosity nor knowledge has a significant result in the intention to repurchase halal cosmetics. As for direct relationship that show insignificant result means that the variables of religiosity and knowledge cannot form one’s mindset and get the value by
having halal logo in such a short time, and the value needs to be developed so that the person will be willing to repurchase halal product without doubting the benefit of the product and believe that the product is the best choice. Otherwise, for the indirect relationship, the religiosity and knowledge variables produce significant results. This study showed a different result from the previous one because in this study, knowledge is showing a significant result to intention to repurchase halal cosmetics. This means that people in Indonesia are already aware of the importance of halal awareness and have sufficient sources to increase their knowledge about halal in Islam.

As for managerial implementation, for producers, because this study has shown that the level of knowledge about halal cosmetics is pretty high, this can be used for cosmetics industry to do halal marketing and marketing campaign on a large scale as one of its marketing strategies. Thus, consumers can quickly recognize the product as a halal product and attract consumers who have a high level of religiosity to buy their products. Moreover, by adding halal certification a company can actually increase their value of halal cosmetics products. The company can also provide advertisement with interesting content that educates the public about the rules in Islam about halal and haram and how to distinguish the content in halal and haram.

As for new entrepreneurs, it is recommended to add a halal logo on their cosmetics product so that Muslim consumers can buy it, as well as for the purpose of developing the market and consumers. They should also do brand marketing with a modern touch in order to have a good brand image: cool and high-end image.

For related parties such as Ulama, MUI, and religious institutions, they can perform da’wah that aims to increase the level of religiosity and awareness of the community about the importance of halalness of a product and in all its daily activities as well as for the promotion of halal certification. In their da’wah, they can also provide knowledge about the importance of halal products such as cosmetics as well as a program of socialization and promotion of halal certification from MUI. In the future, this is not only will increase the level of religiosity and awareness for the producers to make halal products but also the public awareness about the importance of halal products so eventually this will be able to develop one’s attitude not to be burdened in the process of purchasing a halal product.

Lastly, for related industries such as shops, minimarkets, and supermarkets, halal personal care products should be provided so that consumers can easily get the product because according to some studies, the intention and decisions to repurchase show higher numbers if the price of the product is affordable and easy to get or available anywhere. This study also shows that for cosmetics products, one tends to not be willing to wait longer to get the product, not willing to waste their time and look for shops that sell halal cosmetics products, and not willing to travel far to repurchase halal cosmetics.

References
