DEGREE OF AWARENESS, FOOD SAFETY, AND HEALTH CONSCIOUSNESS; THE IMPACT ON CONFIDENCE TOWARDS MUI'S HALAL LOGO (THE EVIDENCE FROM BANDUNG)

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Abstract. Indonesia in majority is inhabited by muslim religious communities. Almost all aspects of the society associated with Islam rules as a basic guideline. Islam preaches a systematic way of life. One of the standards is the concept of Halal. An Arabic word which means lawful or permitted for muslims. The existence of food composition awareness and some issues stated the widespread use of ingredients that are not healthy, has triggered Indonesian people to be more careful and rely on Halal logo which guarantees healthy food besides for obeying Islamic rule. With the growing issue regarding the issues, the presence of Halal logo becomes a factor that is able to support the consumer on their purchasing process. The study was then conducted with the aim of mapping the detail of factors that is able to make consumers believe in the Halal logo. Further to enrich the study, the research will also give an idea of what kind of consumers that have paid more attention to their use of the Halal logo on food and beverage products. With the Halal logo mapping and research on the types of consumer who has a special concern towards Halal logo, researcher hopes that this study can be the base insight about the implementation of the Halal logo by food manufacturers. This knowledge is expected to drive the muslim society in Indonesia to gain their confidence towards MUI's Halal logo anad able to make them feel safer when they buy food ad beverage products in Indonesia.

Keywords: Key word: MUI's Halal logo, confidence, consumer, food and beverage, factor analysis.

Introduction

Food producing companies or manufacturers, both in small and large industries in Indonesia are continually strive to innovate and enhance the creativity in creating a product differentiation. This effort aims to attract and maintain the loyalty of consumers to purchase a product. Product purchasing decisions by consumers are influenced by consumer behavior. Consumer behavior is the process of a customer in making purchasing decisions, as well as to use and to consume goods and services purchased, including the factors that influence purchasing decisions and use the (Rangkuti, 2009). Consumer is now more critical in choosing food. This is because there are many cases found about the problems related to the quality and safety of food products which do not meet the requirement that has been given. This was due to several things including the use of food additives banned hazardous chemical contamination, microbiological contamination is high, selling expired products also labeling and advertising of products that are not feasible. (Legowo, 2003)

Islam preaches a systematic way of life and comes with comprehensive standards and guidelines to be adhered to by muslims, one of them is a standard concept of Halalness. Halal refers to a code of conduct which is permitted by the religion and it applies to every activity carried out by a muslim. And when the

Halal standard used in relation to food, it refers to food which is in compliance with the laws of Islam. (Mohamed, Rezai, Shamsudin, & F.C, 2008). The desire to comply with the commandment in consuming only Halal products could create consumer involvement and influence consumer's purchase decision in choosing what product they consumed. The Halal certification provided by LPPOM-MUI can provide these Muslim consumers with the assurance they can rely on. Thus, attention on the importance of Halal labeling in Indonesia is now growing. Halal-conscious consumer segment is getting bigger and the Halal Product Protection Act is being drafted. (Sucipto, 2009). This research is intended to assess consumers' confidence relating o Halal logo on food & beverage products, and the factors that can help to enhance the level of confidence among the Muslim consumers in Indonesia. The researcher is also willing to explore the underlying factors influencing consumer perceptions and attitudes towards purchasing Halal food products.

Theoretical Background

Halal and Halal Accrediation
Halal means something which has been sanctioned by Islamic law. Concerning food, this describes products which have been handled with a high level of hygiene, as well as meeting a certain standard of cleanliness, safety and nutrition. In summary, the food has been produced stringently under the requirements of the Islamic Dietary Law. As people become more health-conscious, Halal principles are no longer confined to the strictly religious but are becoming an appealingly healthy and hygienic cuisine style. However, non-Muslim consumers still look at Halal food products from a religious perspective and see it mainly as the way an animal has been slaughtered. (Rezai, Zainalabidin, & Shamsudin, 2012)

LPPOM Majelis Ulama Indonesia
Research Institute for Food, Drugs, and Cosmetics Majelis Ulama Indonesia or MUI is called LPPOM powerful institution in charge of researching, reviewing, analyzing and deciding whether both food products and derivatives, pharmaceuticals and cosmetic products are safe to eat well from the health side and from the teaching of the Islamic religion that is halal, or permissible and good for consumption for Muslims, especially in the area of Indonesia, besides giving recommendations to formulate provisions and guidance to the public service.

Consumer Behavior
Consumer Behavior is the study of how individual, groups and organization select, buy, use and dispose of goods, services, ideas, or experiences to satisfy their needs and wants. (Kotler & Keller, 2011). Consumer Behavior is the consumers' decision with respect to the acquisition. Consumption and disposition of goods, service, time, and ideas are by human decision making units. (Hoyer & MacInnis, 2010) The attitudes and beliefs play a fundamental role in consumer behavioral field, because these determine one's disposition to respond positively or negatively to an institution, person, event, object or product. (Ajzen, 1989) (Ajzen & Fishbein, Attitude-behavior relations: A theoretical analysis and review of empirical research., 1997). However, the relations between motives or beliefs and consumer behavior are not unilateral. Consumption leads to experience perception about a product which later on develops into attitudes. The attitudes of consumers purchasing Halal labeled food products are made up of the beliefs they accumulate over their lifetime. (Mohamed, Rezai, Shamsudin, & C., 2008)

Factors that Influence Consumer Behavior
The factors that can influence consumer behavior are: (Kotler, Armstrong, & Saunders, Principals of Marketing 15th Edition, 2013).
1. Cultural Factors mean the set of basic value, perception, wants, behavior and belief that human absorb and learn from the member of the family and other important institution.

2. Social Factors is the factor that related to human daily life. Contain with an idol group like family or reference group and the social role and also status. For example, if the consumer is in the celebrity group this consumer will prefer the product that very high quality, branded and expensive products. This is one of the ways that can specify the social class. Therefore, the social factor can influence the consumer behavior.

3. Personal Factors means purchase decision has the direct influence from personal characteristics such as age, occupation, economic, life style and personality.

4. Psychological Factors contain with motivation, perception, learning, belief and attitude means that buying choices of a person are influenced by four major of psychological factors.

Risk

According to Heuth and Schmtiz (1982, 1986), risk is regarded as the transformation of physical harm or other undesired effects into subjective utilities (cited in Giesler, 2004). In some situation of choice, the outcome of knowable probabilities is random. In most marketing literature, the definition of perceived risk is associated with product choice that has, according to Cunningham (1967), "non-predictable physical or social consequences resulting from poor performance, danger, health hazards, and costs" (cited in Giesler, 2004). Therefore we think that risk is an important factor to take into consideration, because when a consumer is facng a consumption which risk is involved, she will "attempt to reduce her perceived risk through one of several strategies" (cited in Giesler, 2004). The strategies of reducing it will eventually affect consumer decision-making.), the perceived risk can be divided into six factors: financial risk, physical risk, psychological risk, performance risk, time risk, and social risk.

Research Methodology

This study used data collection from a survey which was conducted in June and July 2015, in Bandung, West Java. A total of 200 respondents were interviewed. Questions asked were confidence, perceptions and attitudes towards Halal food, awareness and reasons for using Halal logo. A likert scale of 1 to 5 (1 representing absolutely no confidence and 5 representing absolute confidence) was used to measure consumers' confidence on 13 statements formulated in relation to Halal manufactured food products, Halal logo and Halalness of the food products issues.
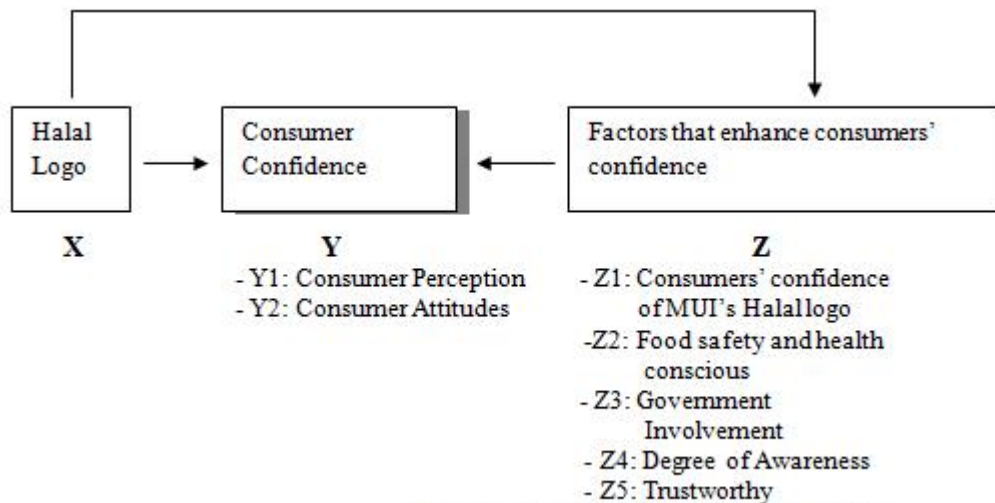
Figure 1. Research Framework

Figure above showed the framework of this research. Five hypothesis have been developed for this study which are given below:

H1: There is a correlation between consumers' religiosity level with their carefulness by looking for MUI's Halal logo before buying food and beverage products.

H2: Consumers pay attention to Halal logo from different aspects and generally positive towards MUI's Halal logo.

H3: Consumers are aware with the underlying advantage of Halal food which is safer and healthier foods.

H4: The awareness among consumers is a major determinant factor in purchasing decision making process.

Consumers' demographic and socioeconomic backgrounds were also collected and processed by descriptive analysis. A random sampling was used. The survey was done in random places like supermarket, malls, and online by googledocs or email. The factor analysis was conducted using the principal component method. Relevant factors were extracted by varimax method. The criteria for the number of factors to be extracted was that the eigenvalue of each factor had to be equal or greater than one.

Result

Demographic Data

Table 1. Demographic Data

	Percentage		
		University Student	71.0
Gender		Private Company Employee	8.0
Male	42.5	Government Employee	4.5
Female	57.5	Entrepreneur	5.0
Religiosity		Others	10.0
Very religious	5.5	Age	
Religious	61.0	< 18	2.0
Somewhat religious	31.0	18 - 22	68.0
Not religious	2.5	23 - 26	14.0
Education		27 - 30	4.0
SMA/SMK	21.5	31 - 35	6.0
S1 (Bachelor)	69.5	36 - 40	1.5
S2 (Magister)	6.5	> 40	4.5
S3 (Doctoral)	0.0	Monthly Income	
Others	2.5	≤ Rp5.000.000	90.0
Marital Status		Rp5.000.001 - Rp10.000.000	7.5
Married	18.5	Rp10.000.001 - Rp15.000.000	0.5
Single	81.5	Rp15.000.001 - Rp20.000.000	1.0
Occupation		> Rp20.000.000	1.0
Student	1.5		

All of the respondents are muslim in Bandung. About 57.5% of the respondents were female. More than half of the respondents (61%) claimed that they were religious while only 2.5% categorized themselves

as not religious. Mainly, the respondents are single (81.5%) and a majority of them (68%) were between 18-22 years old. Most of the respondents (71%) are university students who are majority pursuing a bachelor degree. Due to that, about 90% of the respondents had income below Rp5.000.000 or equal per month, while 7.5% earned Rp5.000.001 – Rp10.000.000, and the rest (2%) had income above Rp15.000.000 per month.

Consumer confidence result
Table 2. Consumers' confidence and several characteristic of consumers' attitudes towards MUI's Halal logo (n = 200)

	Percentage
MUI's Halal logo is Trustworthy	
Yes	95.5
No	4.5
Using MUI's Halal logo during purchase of food products	
Always	19.5
Often	27
Sometimes	35
Rarely	13
Never	5.5
All kinds of Halal logos are trustworthy	
Yes	84
No	16
Consumers' confidence on MUI's Halal logo	
Always	56.5
Often	31.5
Sometimes	10
Rarely	1.5
Never	0.5
Referring list of ingredients to ensure of Halalness	
Yes	53.5
No	46.4

To measure the relationship between consumers' confidence level and their attitude, researcher posted five questions about Halal logo and the level of confidence (Mohamed, Rezai, Shamsudin, & C., Halal logo and consumers' confidence: What are the important factors?, 2008). The results indicate that 95.5% of the consumers claimed that they trusted MUI's Halal logo. Approximately 19.5% of them always make sure of the presence of the MUI's Halal logo on food and beverage products while 27% often looked for it. The biggest portion is the consumers who sometimes checking the MUI's Halal logo (35%). Lastly, 1.5% are rarely looked for it and 0.5% never bothered to check on the presence of the logo. About 84% of the respondents said that apart from MUI's Halal logo, other Halal logos from other countries are trustworthy. This shows that majority of the respondents are still not able to differentiate MUI's Halal logo from other Halal logos.

The frequency analysis to know the level of consumers' confidence on MUI' Halal logo showed that more than half (56.5%) always have confidence on it. Followed by 31.5% consumers who are often have confidence on MUI's logo. Only 0.5% never have any confidence in MUI's Halal logos displayed by the food producers on the products. Thus, the result indicates that some respondents are doubtful about MUI's Halal logo. Meanwhile, almost half and half comparison, 53.5% of respondents indicated that after seeing Halal logo, they then checked on the product's ingredients to ensure its Halalness. From this result, it can be concluded that Halal logo is not the only one factor to ensure consumers' confidence on the Halalness. List of food composition/ingredients plays a role as source of information in determining Halalness of food and beverage products.

Factor Analysis
The factor analysis was used to uncover some factors related to consumers' confidence in MUI's Halal logo. There were 13 statements that were related to issues on Halal logo.On the first place, researchers needs to examine the sampling adequacy by using Kaiser-Meyer-Olkin (KMO) test and Bartlett's test of sphericity to confirm the appropriateness of conducting factor analysis (Tabachnick & Fidell, 2001).

Table 3. KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.832
Bartlett's Test of Sphericity	Approx. Chi-Square	1230.448
	df	105
	Sig.	.000

KMO test for the set of predetermined variables reached values of at least 0,832 (Table 3) which indicates sampling adequacy and factor analysis can be carried out using the 13 statements stated earlier. KMO values higher than 0.6 are considered satisfactory for factor analysis.

Table 4. Reliability test

Factors	Cronbach's Alpha Scores	Number of Item
Confidence on Halal logo	0.678	6
Food safety and health conscious	0.751	4
Degree of awareness	0.653	3

The reliability of the resulting factors was tested by Cronbach's Alpha score and the results indicate that the three factors that have been identified have sufficient internal reliability consistency: *Confidence of Halal logo, food safety and health conscious,* and *degree of awareness*. These three factors have the same characteristic on each loading. Total account for this about 63,924% of the total variance, are summarized as follows:

Confidence on Halal logo
This factor consists of six sub-variables and has a total variance of 37,35%: *Full confidence with Halal logo and my mind is at rest* (0,857) has the highest factor loading. This is followed by *I am confident with MUI's Halal logo* (0,796), *I am confident with Halal logo food product because they are being processed in Islamic code of conduct* (0,760), *under government control all logos are trustable* (0,702), *all kinds of Halal logos are trustworthy* (0.696), *Halal logo is the most convincing logo relating to food safety* (0.652).The result of this factor suggests that consumers pay attention to Halal logo from different aspects and they are generally positive towards MUI's Halal logo on food and beverage products.

Degree of Awareness
This factor has a variance of 14.95% and comprises four sub-variables: *Awareness of Halal food compared to 10 years ago* has the highest factor loading (0,862) followed *by I always check Halal logo* (0,824), *I recheck the composition of food and beverage that has a foreign Halal logo* (0,752), *I think MUI's Halal logo has important role for me to do Islamic rules* (0,532). For most food and beverage products in the market, the awareness among Moslem consumers could be a major determinant factor in purchasing decision process. The results present a quite strong influence in the consumers' decision making process. And consumers also able to distinguish MUI's Halal logo and foreign Halal logo on buying process.

Food safety and health conscious
This factor has a total variance of 11.62% and comprises 3 sub-variables: *Halal food are safer to be consumed* got the highest factor loading (0,875). This is followed by *make healthier choice by purchasing Halal food* (0,848) and *government needs to regulate the food manufacturers in terms of using Halal ingredients and additives* (0,559). The results indicate that apart from the religion obligation of consuming Halal food, consumers are aware of the underlying advantages that come with Halal products. Besides, there is consistency between the multiple factors in factor analysis and the result is reliable in explaining the factors that influence respondents' perception towards Halal logo and what are the factors that could enhance the level of confidence among the respondents.

Conclusion

Based on the result of this study, people trust the logo issued by Majelis Ulama Indonesia (MUI). It indicates that respondents were aware about the significance of MUI's Halal logo on food and beverage products. The more religious the person, fairly they will look for MUI's Halal logo during purchasing the products. Nonetheless, the result showed that there were consumers who keep checking the ingredients list after they see the MUI's Halal logo attached on the products. Even though compared to foreign Halal logo, consumers react more positively to MUI's Halal logo. This could be due to the fact that consumers' do not have full confidence on MUI's Halal logo itself therefore they re-check it.

Another thing to conclude, some moslem consumers are still not able to distinguish the MUI's Halal logo and foreign Halal logo, apart from the presence of products' brand on the food and beverage product packaging.The factor analysis on the other hand indicates factors that could influence respondent's confidence on MUI's Halal logo and the significant role of Halal logo is ensuring the halalness of a food product. From the result, it can be assumed that Indonesian moslem society is tend to trust what the government assures. Due to the status of MUI as a government institution, consumers have quiet high reliance to it. This leads to high consumer confidence towards food and beverage products that have MUI's Halal logo on it.
Not only assuring the Halalness, consumers are also believes that Halal foods are able to guarantee the safety of the products. Besides, by consuming Halal food, consumers got the composure due to

implement Islamic rules.According to the principal component analysis result, there are three factors that able to enhance the level of confidence among the moslem consumers in Indonesia: The confidence of MUI's Halal logo itself, the degree of awareness towards the existence of Halal logo on food and beverage products and its actual meaning, and the health and safety factors that guarantee the products. Consumers assume that Halal logo is the most convincing logo relating to the food safety. This could be considered by the government institution to regulate more food producer to register themselves to MUI.

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