

Research Article

The Influence of Halal Labeling, Product Quality, and Price on Purchasing Decisions for Tteokbokki Products

Abdullah Hadi*, Dr. Moh. Mukhsin, SE., MM.

Universitas Sultan Ageng Tirtayasa

ORCID

Abdullah Hadi: <https://orcid.org/0000-0002-8750-5671>

Abstract.

The goal is to find out the influence of halal labeling, product quality, and price on purchasing decisions on *tteokbokki* products. This study used literature studies and questionnaires with data collection techniques using a Likert scale. The population of this study were students of Sharia Economics, University of Sultan Ageng Tirtayasa. This type of research uses correlational research, which is a type of research with a problem characteristic in the form of a correlation relationship between two or more variables. As a result of data processing with SPSS Version 26, the r square value at the coefficient of determination of .374 or 37.4% of the variables of halal labeling, product quality, and price affect the variables of purchase good decisions. The regression equation obtained $KP = -3.293 + .721 LH - .076 KPr + .679 + e$. The calculated F value is 7.379 and the resulting F_{table} is 2.86. $F_{count} > F_{table}$ ($7.379 > 2.86$), which means that H_0 was rejected and H_a was accepted. It can be seen that simultaneously the variables of halal labeling, product quality, and price have a positive effect on purchasing decisions. But partially, product quality does not affect purchasing decisions.

Keywords: halal labeling, product quality, price, purchase decision

Corresponding Author: Abdullah Hadi; email: abdullahhadi755@gmail.com

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1. Introduction

Indonesia is one of the countries that have a majority Muslim population in the world. Almost 86.9% or as many as 237.53 million people as of December 31, 2021. No wonder many products come in or out of Indonesia. Which is in the State of Global Islamic Report April 2020 if the value of halal food exports is smaller than the value of halal food imports. Here is a comparison chart of the value of exports and imports in Indonesia as follows:

In Islam, Muslims should always follow the Quran and Hadith to fulfill their needs. Greater religious understanding makes parishioners selective in the products they consume. Because halal food is good for our limbs and is a commandment in Islam. In Surah Al-Baqoroh verse 172 reads:

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State of Global Islamic Report 2020
Per April

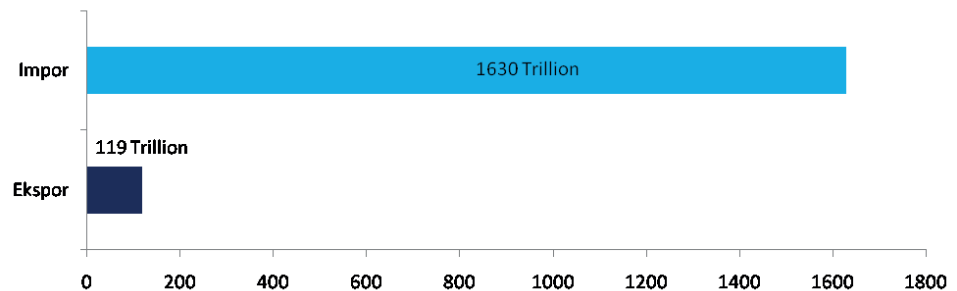


Figure 1: Export value and import value of Halal Food. Source: liputan6.com.

يَا أَيُّهَا الَّذِينَ ءَامَنُوا كُلُوا مِن طَيِّبَاتِ مَا رَزَقْنَاكُمْ وَاشْكُرُوا لِلَّهِ إِن كُنتُمْ يَٰهَا تُعْبُدُون

Meaning: “O believers! Eat from the good things We have provided for you. And give thanks to Allah if you truly worship Him alone.”

The content of this verse is to invite specifically the believers to eat-good food, without the mention of halal. It means giving a sign that faith is a shield for a believer so that he is protected and can prevent himself from activities and choices of foods that are haraam. The food that God has given him is a form of gratitude.

In Indonesia with the largest Muslim community and number one in the world with a market share of products sold, of course, halal products can also be promising. In Indonesia, there are special institutions that oversee products related to food safety and health as well as halal food guarantors, namely LPPOM, BPOM, and BPJPH. This institution is in charge of overseeing a variety of products that will be disseminated in Indonesia by providing a halal logo or BPOM logo on each product, thus the Muslim community who want to buy a product will be more confident to buy it.

The following are the total of LPPOM MUI UMK clients that have been certified halal, as follows:

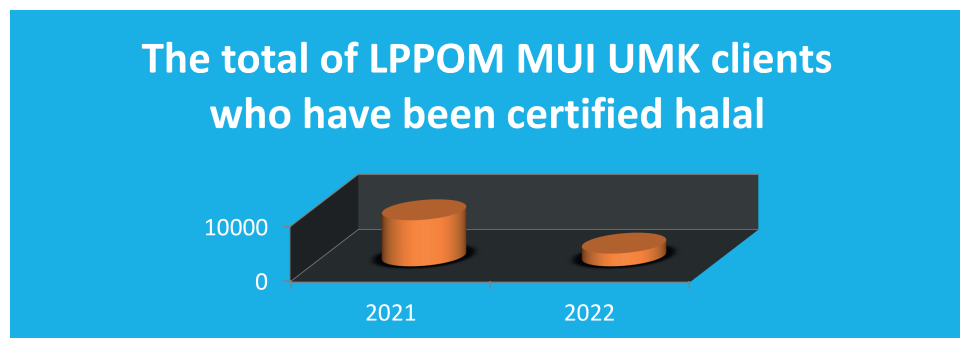


Figure 2: LPPOM MUI certification Data. Source: gardunesia.com.

From the graph above, it can be known that in 2021 the number of LPPOM MUI UMK clients who have been certified halal is 8333 while in 2022 it is 2310 as of June.

Based on the phenomenon that exists in Muslims themselves, a halal label is very important, especially for Muslims who want to buy a product, because with the halal label, people will be sure to use or consume the product. From that sense of security, consumers are sure to make a purchase. As in research Gunawan's, Indra: 2021, halal labeling provides a positive and influential impact on purchasing decisions. The same is the case with [1] research, consumers will be convinced if the product to be purchased is halal, then it is very important for the company's need to carry out halal certification and halal labeling.

In addition to halal labeling variables, Product Quality is also very important in purchasing decisions to determine whether the goods or products purchased have good quality or not. Product quality is very necessary for manufacturers to sell their products it can compete with similar products. Product quality is an attractive thing for consumers. If the product produced is good, consumers will be interested in the product. Zulkifli I, (2019) in [2], a purchase decision is a decision made by a potential consumer when choosing a product. In understanding consumer behavior, society is influenced in many ways by the purchasing decisions of products and brands. Product quality is one of the effects of purchasing decisions. This is if the quality of the product is good on the product, of course, consumers will be interested in this product again. One indicator of a purchase decision is post-purchase. If the product attracts consumers, then according to these indicators consumers will be interested in buying *tteokbokki* products.

Another variable that is no less important is the price variable, it is very important in the purchase decision to buy a product, of course, consumers will see the price of the product. Price is a factor used in tools to help sales, on the other hand is used to build the long-term design of the product being sold. Lubis, 2015 in [3]. Price is the value of money spent to benefit from a product or service [4]. If the price is by its target market, consumers will buy the product but if it does not become its target market, likely, consumers do not buy the product.

2. Literature Review

2.1. Halal Labeling

The Halal Label is something that needs to be considered by the Muslim community, especially in Indonesia. Indonesia is an Islamic-majority country that needs to consider products for consumption. Labels have a close relationship with marketing. Halal is a very important thing for the Muslim community. In Islam, it has been explained how urgent it is about Halal, that Allah SWT has given and determined the rules of halal long before humans were sent down to Earth. In the Qur'an Surah Al-Baqarah, verse 168 reads:

يَا أَيُّهَا النَّاسُ كُلُوا مِمَّا فِي الْأَرْضِ حَلَالًا طَيِّبًا وَلَا تَتَّبِعُوا خُطُوَاتِ الشَّيْطَانِ ۚ إِنَّهُ لَكُمْ عَدُوٌّ مُّبِينٌ

Meaning: "O humanity! Eat from what is lawful and good on the earth and do not follow Satan's footsteps. He is truly your sworn enemy." (QS al-Baqarah: 168).

According to Latief et al (2015) in Ismunandar et al., (2021:162) and Utami (2013: 13) in Susanti et al., (2021:46) regarding halal labeling indicators as follows:

1. There is a halal logo
2. There is a composition label
3. There is a nutrition label
4. Stick to packaging

2.2. Product Quality

Product quality is an effort made by a business entity or company to improve the quality of a product by providing characteristics of the product. Product quality is the ability of a company to make a mark on a product or feature made at any time-any product to the specifications of the customer can understand the product (Schiffman and Kanuk: 2019 in [7])

The indicators of the quality of products Kotler (Supriyadi et al, 2016: 2) in [8] and [9], which can be used in this study is:

1. Appearance with indicators of satisfaction-adjusted products
2. Durability with indicators of products that have long durability
3. Reliability with indicators tailored to the needs
4. Ease with customer indicators easily to get the product
5. Design with indicators according to what is preferred.

2.3. Price

Price is the monetary value that consumers pay to sellers for the goods or services they buy. Because the price has a direct impact on the total sales and income that has been obtained by the company, which price is a marketing element that needs to be evaluated by company management [10]. In other words, the price is the value of an item determined by the seller. The price is the amount charged to the consumer to profit from a product (good/service) purchased from the seller or manufacturer.

According to Kotler (Suhandi et al, 2021) in [11] and [4] several price indicators are affected by the following:

1. Price Affordability
2. The price corresponds to the quality of the product
3. Price competition
4. Appropriate price will benefit the product

2.4. Purchasing Decisions

A Purchasing decision is when a person evaluates what he bought before and re-arranges it based on the needs he needs. The purchase decision is an evaluation stage that allows buyers to compile a ranking list of products or goods with a rating of their (choice that can provide a desire to make a purchase (Lubis, 2015 in [3]. The purchasing decision is the reason that stimulates the buyer to exercise options on what products he wants. [7].

As for Sitompul (Rizqillah M & Kurniawan P, 2019 in [12] and [3] in purchasing decision indicators, namely:

- 1) Identify The Need
- 2) Based On Information
- 3) Halal quality, price and guarantee
- 4) Make Product Purchases
- 5) Post-Buying Behavior

3. Methods

This study uses quantitative research. The method used is a quantitative method this is because the research data in the form of numbers and analysis using statistics. (Siyoto &

Sodik, 2015 in [13]. Based on the disclosure of variables, the researchers concluded that the study included in the type of research that is the type of research with characteristic problems in the form of correlation between two or more variables. The purpose of this study was to determine the relationship between independent variables, namely Halal labeling, product quality, and price, to the dependent variable, namely purchasing decisions on Tteokbokki products. And find out how much influence the relationship between Halal labeling variables, Product Quality, and price on purchasing decisions on Tteokbokki products.

4. Result and Discussion

Tteokbokki is a typical Korean food that is currently very loved by the public. Food made from rice flour with gochujang sauce and usually sprinkled with sesame seeds. Tteokbokki consumer samples were taken from students at the Department of Islamic Economics, Sultan Ageng Tirtayasa University as many as 41 samples. The indicator of the questionnaire that has been tested from 26 statements is divided into four elements according to the number of variables that have been tested.

4.1. Validity Test

In this validity test, researchers have circulated questionnaires to 41 informants who have filled out the requirements as respondents, and achieved in collecting all the results of the questionnaire, for validity tests. This study was to measure 6 questions on halal labeling variables, 6 questions on product quality variables, 6 questions on price variables, and 8 questions on purchasing decision variables.

TABLE 1: Validity Test Results Halal Labeling.

No	R_{count}	r_{table}	Desc
1	.782	.308	Valid
2	.797	.308	Valid
3	.668	.308	Valid
4	.647	.308	Valid
5	.708	.308	Valid
6	.804	.308	Valid

SPSS version 26 (processed data)

Obtaining halal labeling validity test for the above explanation, indicating all statements $R_{count} > R_{table}$. So the conclusion is that all statements for variable X1, namely Halal labeling, are declared credible or valid.

TABLE 2: Validity Test Results Product Quality.

No	R_{count}	r_{table}	Desc
1	.824	.308	Valid
2	.777	.308	Valid
3	.774	.308	Valid
4	.900	.308	Valid
5	.789	.308	Valid
6	.680	.308	Valid

SPSS version 26 (processed data)

Obtaining product quality validity test for the above explanation, indicating all statements $R_{count} > R_{table}$. So the conclusion is that all statements for variable X2, namely Product Quality, are declared credible or valid.

TABLE 3: Validity Test Results Price.

No	R_{count}	r_{table}	Desc
1	.733	.308	Valid
2	.370	.308	Valid
3	.499	.308	Valid
4	.768	.308	Valid
5	.796	.308	Valid
6	.592	.308	Valid

SPSS version 26 (processed data)

Obtaining price validity test for the above explanation, indicating all statements $R_{count} > R_{table}$. So the conclusion is that all statements for variable X3, namely Price, are declared credible or valid.

Obtaining purchasing decisions validity test for the above explanation, indicating all statements $R_{count} > R_{table}$. So the conclusion is that all statements for variable Y, namely Purchasing Decisions, are declared credible or valid.

4.2. Reliability Tests

It aims to understand the inequality of gauges that generally use questionnaires. The reliability test is the continuity of the validity test, where the questions that go into the

TABLE 4: Validity Test Results Purchasing Decisions.

No	R_{count}	R_{table}	Desc
1	.510	.308	Valid
2	.662	.308	Valid
3	.836	.308	Valid
4	.819	.308	Valid
5	.851	.308	Valid
6	.815	.308	Valid
7	.862	.308	Valid
8	.720	.308	Valid

SPSS version 26 (processed data)

examination are valid. To see if the instrument is reliable or not, you can apply Cronbach alpha $>.60$. The following is the reliability test of each variable.

TABLE 5: Reliability Test Results.

Variable	N. Item	Cronbach's Alpha	Conclusion
Halal Labeling (X1)	6	.828	Reliability
Product Quality (X2)	6	.876	Reliability
Price (X3)	6	.670	Reliability
Purchasing Decisions	8	.893	Reliability

SPSS version 26 (processed data)

From the data presented above, it can be concluded that all variables have crossed the limit, namely $.60$ means declared reliable.

4.3. Normality Test

The normality test is useful to see whether the residual value of normal or not. Normal residual value is a good regression model.

SPSS version 26 (processed data)By looking at the histogram above, it can be said that the model has a normal distribution because of the bell-shaped curve, the standard deviation can be seen as $.962$ means that the frequency of the residual value is located around zero has a frequency that is large enough compared to the extreme difference values.

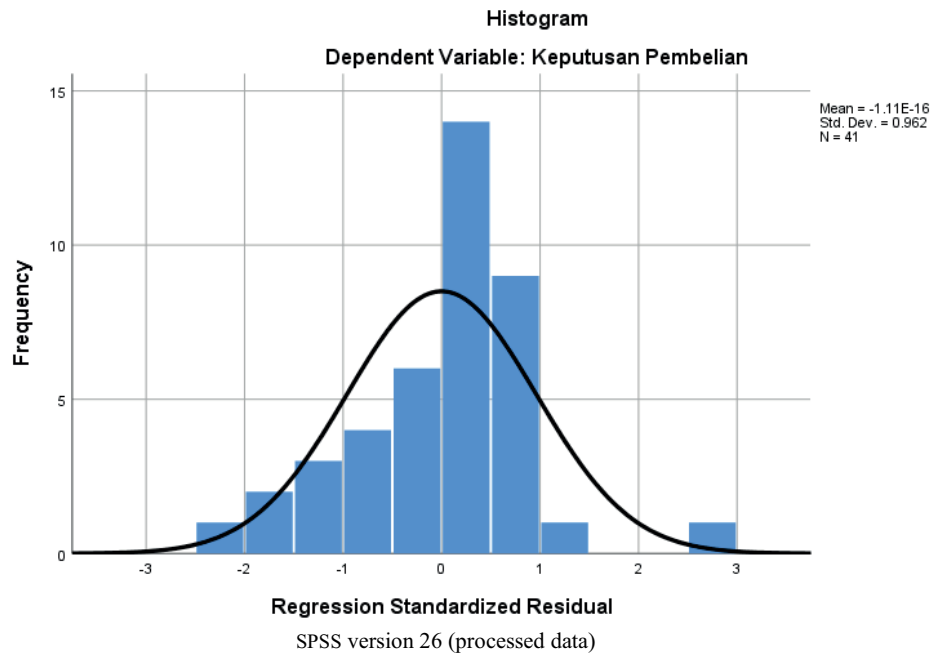


Figure 3: Normality Test.

4.4. Multicollinearity Test

Used to test the regression pattern data there is a correspondence between independent variables (independent). Checking the value of VIF in taking into account the SPSS 26 program is a step to find the presence of multicollinearity or not multicollinearity in the regression pattern by using the correlation matrix of each independent variable. Through the provisions, if the value of VIF <10 then there is also no multicollinearity of the data that has been tested. If the value of tolerance is .10 then multicollinearity does not occur.

TABLE 6: Multicollinearity Test Results

Model		Collinearity Statistics	
		Tolerance	VIF
1	Halal Labeling	.560	1.786
	Product Quality	.378	2.644
	Price	.580	1.726

SPSS version 26 (processed data)

In the test above, you can see the tolerance part, which is as many halal labeling variables $.560 > .10$, variable product quality amounted to $.378 > .10$, and variable prices amounted to $.580 > .10$. this means that multicollinearity does not occur. In the VIF section, all variables indicate < 10.00 , which means that multicollinearity does not occur.

4.5. Heterocedasticity Test

At this stage we will measure whether this regression model causes variance discrepancy from residual, observation of one to another observation. Regression is said to be otherwise heteroscedasticity. In the benchmark test, for example, the value of correlation significance >.05, The Conclusion does not indicate heteroskedasticity.

Table 7.

TABLE 7: Heteroscedasticity Test Results.

Variable	Sig.
Halal Labeling	1.000
Product Quality	1.000
Price	1.000

SPSS version 26 (processed data)

In the test the significance is all independent variables of 1,000 or >.05, The Conclusion is that heteroskedasticity is not indicated.

4.6. Multiple Linear Regression Test

In this review to see the relationship as linear between two or more variables in the independent variable (free) and dependent (bound). This regression equation is to see the effect of independent variables (halal labeling, product quality), and price) on the dependent variable (purchase decision).

TABLE 8: Multiple Linear Regression Test.

Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std. Error	Beta
1 (Constant)	-3.293	6.442	
Halal Labeling (x1)	.721	.324	.387
Product Quality (x2)	-.076	.322	-.050
Price (x3)	.679	.289	.401

SPSS version 26 (processed data)

Based on the results of multiple linear regression test in the test above, that the regression equation used is: $PD = -3.293 + .721 HL - .076 PQ + .679 P + e$

From the above regression equation can be described below:

a. The constant value is -3,293 units, indicating that if the independent variable (halal labeling, product quality, and price) is estimated at 0, the dependent variable (purchase decision) of *tteokbokki* products is -3,293 units.

b. The value of the coefficient of regression halal labeling is a positive quality, ie .721. This means that if the variable increases in units the decision to purchase *tteokbokki* products found as much growth of .721 units on the estimated other independent variables constant quality.

c. The value of the regression coefficient on the quality of substandard products is negative, ie -.076. This means that if the variable increases by 1 unit the decision to purchase *tteokbokki* products found growth as much as -.076 units on the estimated other independent variables constant quality.

d. The value of the coefficient of regression at a price of positive quality, ie .679. This means that if the variable increases by 1 unit the decision to purchase *tteokbokki* products found as much growth .679 units in the estimated other independent variables constant value.

4.7. Coefficient Of Determination Test

Calculate how far the capability of the model is in requiring bound variation.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.612 ^a	.374	.324	4.859

SPSS version 26 (processed data)

Figure 4: Coefficient Of Determination Test.

SPSS version 26 (processed data) The Value Of R= .612 is the result of the coefficient of determination test that there is a strong relationship between the independent variables (halal labeling, product quality, and price) to the dependent variable (purchasing decision). The value of R Square 374 or 37.4% of independent variables (halal labeling, product quality, and price) affects the dependent variable (purchasing decision). Thus, it indicates that the independent variable (halal labeling, product quality, and price) plays a role in the dependent variable (purchasing decision) of *tteokbokki* products as much as 37.4% and is influenced by different variables that were not studied in this study, the remaining 62.6%.

4.8. Partial Test (t-test)

Independent variables (halal labeling, product quality, and price) partially or significantly affect the dependent variable (purchasing decision) part to see the regression pattern

TABLE 9: Partial Test (t-test).

Variable	t-count	Sig.	Alpha	Desc
Halal Labeling	2.226	0.032	0.05	Significant
Product Quality	-.236	0.813	0.05	Not Significant
Price	2.346	.024	0.05	Significant

SPSS version 26 (processed data)

Halal Labeling

Sourced from the partial test results above, it is known that the t count for halal labeling variables is 2,226 and for T table, the formula $t_{table} = t(a / 2; n-k-1) = t(.05;37)$, t table produced by 2026. Thus the value of t count > t table (2.226 > 2.026). H01 is rejected. The conclusion is that halal labeling has a positive effect on the purchasing decision of *tteokbokki* products.

Product Quality

Sourced from the results of the partial test above, it is known that the t count for product quality variables of -.238 and T table seen formula $t_{table} = t(a / 2; n-k-1) = t(.05;37)$, t table produced by 2026. Thus the value of t count < t table (-.238 < 2.026). H02 is accepted. The conclusion is that the quality of the product does not negatively affect the purchasing decision of *tteokbokki* products.

Price

Sourced from the partial test results above, it is known that t count the price variable of 2346 and T table seen formula $t_{table} = t(a / 2; n-k-1) = t(.05;37)$, the resulting table t results of 2,026. Thus the value of t count > t table (2.346 > 2026). H03 is rejected. The conclusion is that the price has a positive effect on purchasing decisions *tteokbokki* products.

Simultaneous Test Results (F Test)

Sourced on the results of simultaneous tests produced F count is 7.379 and F table produced is 2.86. So that f count > F table (7.379 > 2.86), therefore, Ho4 is rejected and Ha4 is accepted. The conclusion is that halal labeling, product quality, and overall price have a positive effect on the purchasing decision of *tteokbokki* products.

1. Halal labeling on purchasing decisions.

TABLE 10: Simultaneous Test Results (F Test).

Model	Sum Squares	Df	F	Sig.
1 Regression	522.615	3	7.379	.001 ^b
Residual	873.482	37		
Total	1396.098	40		

SPSS version 26 (processed data)

With this variable on the partial test results the value of $t_{count} > t_{table}$ ($2.226 > 2.026$). H_{01} is rejected. In conclusion, halal labeling has a positive effect on the purchase decision of *tteokbokki* products.

2. Quality product on purchasing decisions

With this variable on the partial test results the value of $t_{count} < t_{table}$ ($-.238 < 2.026$). H_{02} is accepted. In conclusion, the quality of the product does not negatively affect the purchase decision of *tteokbokki* products.

3. Price on purchasing decisions

With this variable on the partial test results the value of $t_{count} > t_{table}$ ($2.346 > 2.026$). H_{03} is rejected. The conclusion is that the price has a positive effect on the purchase decision of *tteokbokki* products. Labelisasi halal, kualitas produk, dan harga secara simultan berpengaruh positif terhadap keputusan pembelian produk *tteokbokki*.

5. Conclusion

The decision that has been described above regarding the influence of halal labeling, product quality, and price on purchasing decisions on *tteokbokki* products the conclusions of this analysis are as follows:

1. In this variable, the value of $t_{count} > t_{table}$ ($2.226 > 2.026$) means that partially halal labeling variables have a positive effect on purchase decisions. H_{01} is rejected.
2. In this variable the value of $t_{count} < t_{table}$ ($-.238 < 2.026$) means that partially the product quality variable does not affect the purchase decision. H_{02} is accepted.
3. In this variable, the value of $t_{count} > t_{table}$ ($2.346 > 2.026$) means that partially the price variable has a positive effect on the purchase decision. H_{03} is rejected.
4. In each variable or other words simultaneously, halal labeling variables, Product Quality, and price have a positive effect on purchasing decisions.

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