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Intention Toward *Halal* and Organic Food: Awareness for Natural Content, Religiosity, and Knowledge Context

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Abstract

This research aimed to determine the impact of natural content, knowledge of halal and green foods and religiosity toward purchase intention through awareness as mediator variable. This study was evaluated on Tropicana Slim Beras Merah Organik product to consumers in Pontianak. People nowadays are more concerned and wary when choosing food. They are concerned about the food being halal, which has started to shift food that has halal and green logo. This research was a quantitative one, the aim of which is to further magnify the proposed hypothesis in the research and answer the problem in the research. Questionnaire were distributed to obtain the data. The sample is accumulated into 100 respondents. Data analysis was done using SEM-PLS. This study verifies that natural content, knowledge of halal and green foods and religiosity have a positive effect on consumer awareness of products. This study also shows that consumer awareness of the product can affect the purchase intention positively.

Keywords: natural content, knowledge of halal and green foods, religiosity, awareness, purchase intention

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1. Introduction

People nowadays are more concern and careful when they will make a purchase as the consumer. When the consumer has knowledge about a food or product, mostly they will has an intention to purchasing. Purchase intention is one of the main concepts that already studied in the marketing literature. The definition of purchase intention can be defined as the preference to consumer either to choose a product or a service.

When a consumer think about the utilities, it's possible if some product comes to their mind. But it's more important if the consumer already aware about the product. According to (Machali, Abdullah, & Razak, 2015) awareness comprises a human's perception and cognitive reaction to a condition or event. Awareness does not necessarily

imply understanding, just an ability to be conscious of, feel or perceive. Beside people more concern about their purchase intention as a consumer and also more aware about the product that will they buy, people nowadays also more concern about their food. Either it is about the hygienical, content, procedure, *Halal*, etc. The most concern issue is about halal and the newest is about green product. Both issues can be increasing the awareness of a product that maybe can affect the purchase intention.

Commonly, people only know *Halal* as something that pork-free or alcohol-free, but actually not only that. According to (Toong, Khin, & Khatibi, 2015) stated that the concept of *Halal* refers to the manner of producing goods and services in the manner approved by Islamic law or *syariah.* In previous studied by (Toong, Khin, & Khatibi, 2015) stated that *Halal* now become a universal concept. *Halal* is not for just and fair business transactions only but also for animal welfare, social justice and sustainable environment and something like that. *Halal* value is increasing as people more aware of issue concerning health and environment issue. For *Halal* food industry, this is so important for Muslim all over the world to make sure that food items they consume daily are *syariah* compliant.

First, here is *Halal* issue logo. The authority responsible for the issuance of *Halal* certificates is the Indonesian Ulama Council (MUI) which is the country's highest authority on Islamic affairs. MUI logo should only be included on products that are already certified halal from MUI (Hakim, 2016). Muslim consumer should pay more attention to see the logo.

Beside a food or product has *Halal* certificate, it is good to make it as green food or green product too. As we can see, our environment got so many affects such as pollution, waste, etc. (Pratiwi, 2016) stated that environmental problems have become one of the most important issues in the world. The problems that occur include environmental pollution, resource degradation and global warming. Generally, people still unfamiliar with term 'green' in a product or food. But actually, some of developed countries have this method. Green product is made, distributed, and used to reduce negative impact on the environment such as damage and pollution to the environment. Furthermore, (Rimantho, 2015) stated that clean products (green products) are always environment-oriented.

The product that become object in this research is Tropicana Slim Beras Merah Organik which is has all of the criteria such as halal and organic logo. Mostly people only care about the halal logo, but it is good to buy and consume the product that also has green logo. Beside as the consumer who obey the religion by choosing halal product, consumer also can maintain health and safe the environment by choosing green

product. The green business became the niche and profitable business. Consumers are more awareness about the health and environmental issue.

The aims study of this research is:

1. To analyze the influence of the factors of natural content, knowledge of halal and green food to awareness.

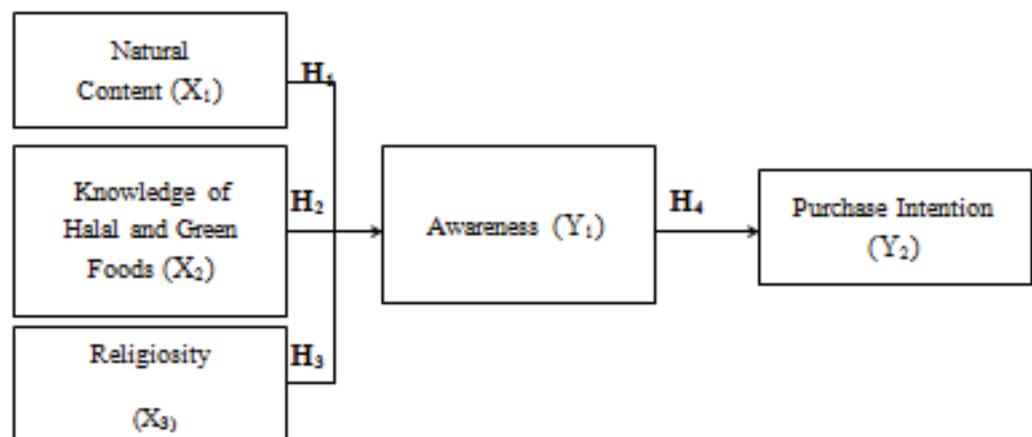2. To analyze influence awareness to intention.

Figure 1: Conceptual framework.

Based on the purpose of this study, the hypotheses can be constructed as follows:

H_1: *Natural Content has positive impact toward Awareness*

H_2: *Knowledge of Halal and Green Foods has positive impact toward Awareness*

H_3: *Religiosity has positive impact toward Awareness*

H_4: *Awareness has positive impact toward Purchase Intention*

2. Research Methodology

This study is the associative causal research that aims to find the influence of independent variables toward dependent variable. Causal research itself is designed to collect the raw data. Beside that it also can be used for create data structures and information that will allow the decision maker or researcher to model cause-and-effect relationship between two or more market or (decision) variable. This study aimed to test the impact of independent variables: natural content, knowledge of Halal and Green food, religiosity and awareness toward the dependent variable, that is, purchase intention. Quantitative approach is used in this study. Quantitative data is where data

is collected via structured questionnaires or surveys (Sekaran & Bougie, 2010). Survey method selected as primary data source. Survey method focuses on collection data of respondents who have certain information so it is possible for researchers to solve the problem. In this study, the researcher using Likert scale method and utilizing SmartPLS 3.2.7 as statistical tools.

3. Result

3.1. Respondent's characteristics

Total respondents of 100 people with a ratio of 33 men and 67 women. The respondents are dominated by age 22 until 26 years old. Majority 47% respondents dominate by the Bachelor Degree. The respondent status as college student by 38 respondents or the percentage is 38%, and the second place is from civil servant which is 28 people or the percentage is 28%. The level of average income per month also has relationship with the level of profession. It can be seen on the level of < Rp 2,000,000 the amounts of respondents are 44 people with the assumption that this 44 people are the same people on the profession level that are on college student level. Next is income level in the range Rp 5,000,001–Rp 10,000,000 with 26 number of respondent and the range > Rp 10,000,000 has zero number of respondent.

3.2. Respondent's responses

Response showed that the most of the respondents have tendency to answer agree (on the score of 4). The results of the respondents to this variable are 3.913, which show the implementation of Natural Content is high. Most of the people in Pontianak stated they are aware of the foods they consumed, with the mean number 3.903. Knowledge of *Halal* and Green approach is high. The average result of the respondents to Religiosity variable are 3,59 which show the implementation of Religiosity is enough. The average total score is 4,05 which means the Awareness variable is high assessment. The average total score of consumers purchase intention amounted to 3,825, which means that the consumers purchase intention of Tropicana Slim Beras Merah Organik has a high assessment.

3.3. Convergent validity

Construct validity means that a test designed to measure a particular construct is actually measuring that construct. Convergent validity is sometimes claimed if the correlation coefficient is above 0.50, although it's usually recommended at above 0.70.

The outer loading table shows the validity that the variable has. From the data result, its showed us that most of the data passed the requirement above 0.70 except Natural Content 5 (0,697), Knowledge of Halal and Green Food 2 (0.592), and Purchase Intention 2 (0.568). But the data also could be said valid if it's have number more than 0.5 and the result show that all variable is passed the requirement.

3.4. Discriminant validity and reliability test

Thus, the latent contract that predicts the indicator on the block is better than the indicator in the other blocks. Another method to see the discriminant validity is to look at the value of the square root of Average Variance Extracted (AVE), recommended value is above 0.5 (Ghozali 2013). Here are the AVE and reliability test result:

TABLE 1: Average variance extracted and reliability.

Average Variance Extracted (AVE)		Cronbach's Alpha	Composite Reliability
Natural Content	0.560	0.843	0.884
Knowledge of Halal and Green Food	0.568	0.845	0.887
Religiosity	0.669	0.917	0.934
Awareness	0.703	0.787	0.876
Purchase Intention	0.762	0.884	0.925
Source: Data processed, 2017.			

Reliability testing is done by looking at the value of the block of composite reliability indicator that measures the construct. Composite reliability results will show a reliable result is a satisfactory score is above 0.7 (Ghozali, 2008).

Test reliability can also be strengthened by Cronbach's Alpha, the recommended value is above 0.6 (Ghozali 2013). The table shows that the values of Cronbach's Alpha for all construct is above 0.6. It also can be concluded that each variable already has a good level of reliability, so that the analysis can be continued for this study.

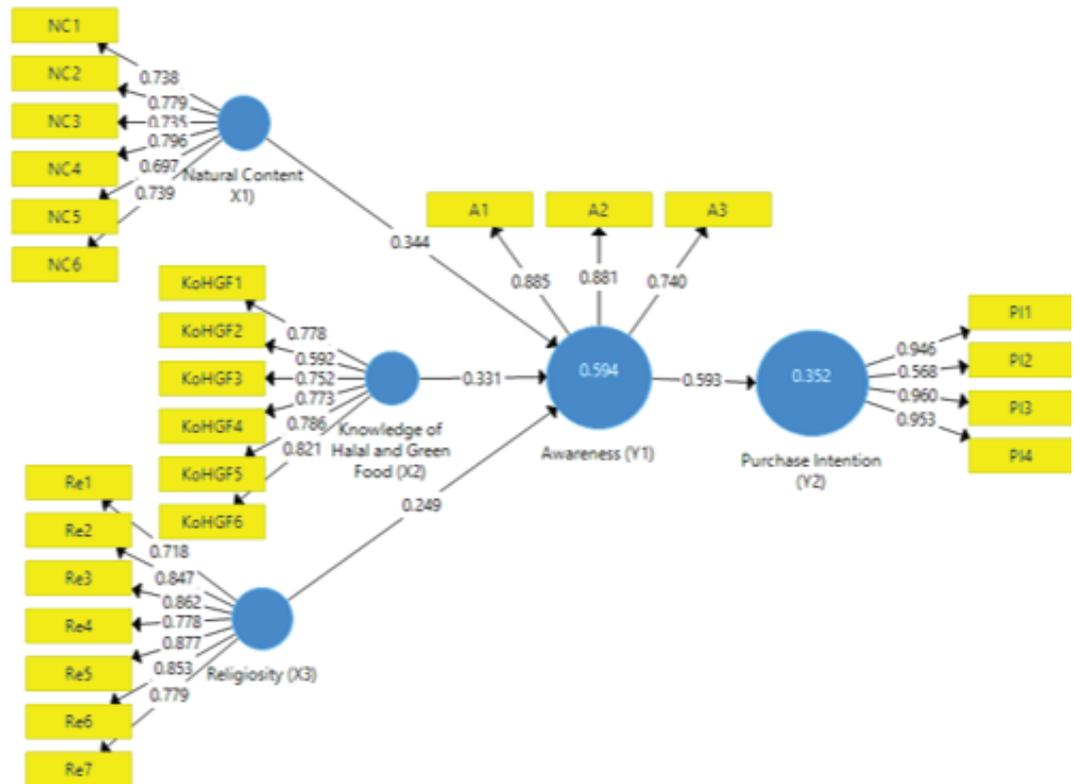- **Evaluation Model**

- **R-Square**

Figure 2: R-Square test result.

The value of Awareness with 0.594 can be described as moderate and categorized as acceptable. Purchase Intention also categorized as acceptable with the value 0.352.

3.5. Hypotheses testing

TABLE 2: Hypotheses testing test result.

	Original Sample	Sample Mean	Standard Deviation	T Statistics	P Values
Natural Content → Awareness	0.344	0.361	0.078	4.400	0.000
Knowledge of Halal and Green Food → Awareness	0.331	0.321	0.093	3.570	0.000
Religiosity → Awareness	0.249	0.238	0.067	3.724	0.000
Awareness → Purchase Intention	0.593	0.595	0.077	7.746	0.000

Source: Data processed, 2017.

According to the expert, the value of *T*-Statistics must be > 1.96 to be considered as significant (Ghozali, 2008). From the aforementioned data, we can see that the numbers of *T*-Statistics are all above 1.96, means that are all significant.

H1: Natural Content has positive impact on Awareness is accepted.

The relationship between Natural Content and Awareness is significant with the T-Statistic value is 4.400 which more than 1.96. The value of original value is 0.344 which indicates that the relationship between Natural Content and Awareness is positive. Thus the hypothesis H1 which is *'Natural Content has positive impact toward Awareness'* is accepted.

This means that natural content can create aware of a product. People will pay attention to a product that use natural content and try to find out the substances contained in the food they consume.

H2: Knowledge of Halal and Green Foods has positive impact on Purchase Intention is accepted.

The relationship between Knowledge of Halal and Green Food and Awareness is significant with the T-Statistic value is 3.570 which more than 1.96. The value of original value is 0.331 which indicates that the relationship between Knowledge of Halal and Green Food and Awareness is positive. Thus the hypothesis H2 which is *'Knowledge of Halal and Green Foods has positive impact toward Awareness'* is accepted.

This means that knowledge that people has will impact the awareness toward a product. Knowledge make people more know and then become aware. Its means before buying the food and beverage that they are going to consume, people will observed the content and find out the substance contained in it.

H3: Religiosity has positive impact on Awareness is accepted.

The relationship between Religiosity and Awareness is significant with the T-Statistic value is 3.724 which more than 1.96. The value of original value is 0.249 which indicates that the relationship between Religiosity and Awareness is positive. Thus the hypothesis H3 which is *'Religiosity has positive impact toward Awareness'* is accepted.

This means people with high religiosity also have high level of awareness. The relationship between them is strong because both of it bound to each other.

H4: Awareness has positive impact on Purchase Intention is accepted.

The relationship between Awareness and Purchase Intention is significant with the T-Statistic value is 7.746 which more than 1.96. The value of original value is 0.593 which indicates that the relationship between Awareness and Purchase Intention is positive. Thus the hypothesis H4 which is *'Awareness has positive impact on Purchase Intention'* is accepted.

This means people with high awareness tent to have purchase intention toward halal and green food.

3.6. Path coefficient

Observing the direction of path coefficient can understand the research hypotheses whether accepted. This test can use a bootstrapping procedure. Based on the Path Coefficient analysis, the variable that has the most influence to Purchase Intention is Awareness (0.593). This means before customer has intention to purchase some food, they will aware about the product first.

4. Discussion

People especially Muslims are now more aware about the health issue. That's why people more choosing natural food that use natural content. Several research papers have also proved that organic foods will help reduce the risk of excessive exposure to chemical residues. After people know about this organic food, it will impact the awareness of a product.

Knowledge of halal and green food is affecting the awareness. People who has knowledge will more aware about a product that will they buy and consume. The more they know about the benefit of food that has halal and green certification, more aware they are when they choosing a product. There are a lot of product that halal and also there are a lot of food that Green. But only several product that has both of it, which means the product is Halal and also Green such as Tropicana Slim Beras Merah Organik.

Religiosity of a person is impact the purchase intention. As a Muslim, we should consider every food that will be consume is Halal. Even for a Muslim who are not really obey the rule of Islam still consider the Halal food. Moreover the religious one. They will more aware about the food that will be consume. The higher religiosity of a person, so the more selective they are when deciding to purchase something especially food.

The product awareness is affecting consumer purchase intention. Consumer who has knowledge will more aware about a product. Consumer will more choose and purchasing food that Halal and Green to consume. That Halal and Green food is healthy and 'good' for the consumer even for the environment. Consumer will aware about the content, the party that released the halal logo and other aspect more detail. That indicators become a basic that proved if product awareness have impact toward purchase intention.

5. Conclusion

Based on the result, Natural Content positively impact on Awareness. This means that natural content can create aware of a product. People will pay attention to a product that use natural content and try to find out the substances contained in the food they consume. For variable Knowledge of Halal and Green, it showed that this variable positively has impact on Awareness. This means that knowledge that people has will impact the awareness toward a product. Knowledge make people more know and then become aware. Its means before buying the food and beverage that they are going to consume, people will observed the content and find out the substance contained in it.

Beside both variable, Religiosity also has positive impact on Awareness. This means people with high religiosity also have high level of awareness. The relationship between them is strong because both of it bound to each other. For last variable, Awareness positively impact on Purchase Intention. This means people with high awareness to have purchase intention toward halal and green food.

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