

A Study on Factors Affecting Halal Products Purchase Intention in Surat City

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Abstract:

The halal industry has developed from concentrating on food to various other industries covering a wider area of lifestyle, and driving demands in food and non-food sectors such as cosmetics and personal care products, toiletries, Islamic finances, and tourism. The research investigates consumer purchase intention for halal certified products in Surat City and the motives to explore the factors that build customer's purchase intention of Halal food products and to know the consumers personally satisfied when they are purchasing Halal food product. Researcher has used descriptive research design. Both primary sources and secondary sources were used for data collection. For respondents, the well-structured questionnaires were administered, and the information was collected. Secondary data was gathered from various books, journals, blogs, newspapers, forums, research projects, studies published at national and international level by government and private research firms to gain insight into the research area. The sample required for the study has comprised of the data collected from Muslims in Surat city. This data are analyzed with the help of various or relevant statistical tools like frequency analysis, factor analysis, descriptive analysis, multiple response analysis, with the help of SPSS and excel package to generate meaningful results. The study finds that there is a positive relationship between attitude and purchase intention. Attitude is an important factor in influencing consumer intention in purchasing Halal products because those with high positive attitudes appeared to have greater intentions to intent to purchase Halal products. Social pressure may compensate for high favorable attitudes in building intentions to purchase Halal products in such culture.

Key words:

Halal industry, Halal food, Attitude, food and non-food sectors

I. Introduction

Globally, marketers and researchers have discovered a consumer segment with a very high potential, that is, the 'halal' consumers. There are many halal certification companies worldwide, which test the products offered by the brands for halal standards and certify the complaint brands as halal. Halal is essentially a co-brand and/or certification scheme. The global halal market's potential excluding Islamic finance is USD 2.3 TN. It is now up to India, as a country with 15 crore Muslims, to tap the opportunity. According to the Quran, the only foods explicitly forbidden are meat from animals that die of themselves, blood, the meat of pigs, and any food dedicated to other than God. Halal is an Arabic word which means legal, permissible, or allowed (Wilson and Liu, 2010). It implies that Muslims should consume from a certain set of things (goods, services, etc.). The Halal products are more and more growing in popularity among non-Muslim consumers due to human animal treatment concerns and the perception that Halal products are healthier and safer. Non-Muslim Russians made purchases from Muslim stores because they believe the products are fresh, safe and infection free. Likewise, most, but not all, religious diets prescribe a variety of foods on a temporal or permanent basis, and thus these diets

become restrictive in nature. Halal Certification is provided by Halal Certification Bodies in India. There are various Halal Bodies and a few of the Halal Bodies in India are Halal India Private Limited, Halal Certification Services India Private Limited, Jamiat Ulama-E-Maharashtra – a State unit of Jamiat Ulama-E-Hind and Jamiat Ulama-i-Hind Halal Trust.

II. LITERATURE REVIEW

Halal is defined as anything that is allowed or acceptable to Muslims (Eliasi and Dwyer, 2002; Berry and Donna, 2000; Berry, 2008). Islamic food products can be separated into nine categories between Halal and Haram. Makrooh and Mashbooh fall in between these categories (Eliasi and Dwyer, 2002). This is very essential for the Muslim customers to know the product categories that they buy and use (Shaari and Arifin, 2009). Regardless of the extensively offered Halal food products, and frequent research information on Halal food market, there is an absence of theory-driven research on Halal food purchasing (Alam and Sayuti, 2011). Moreover, consumers are not exposed adequately to Halal certification and Halal brands (Rajagopal et al., 2011). At the same time, there has been a lack of unpretentious knowledge on the connection between Halal concept such as Halal consciousness and Halal accreditation with purchase intention in the context of purchasing Halal products (Aziz and Chok, 2013). According to previous studies (Bang et al., 2000) knowledge has an influence on intention, as increasing knowledge is likely to influence the intention. Similarly, the knowledge in the direction of the influence of marketing-related concept such as advertising and branding with Halal purchase intention is almost unavailable (Aziz and Chok, 2013). Although vendors are beginning to achieve an understanding on the significance of Halal accreditation and Halal awareness, still very little is known about Halal components and other determinants that have an impact on purchase intention. The manifestation of publicized Halal food meaningfully impacts consumer knowledge of Halal principles (Rezai et al., 2012). Consequently, Halal awareness has a substantial influence on explaining the intention to purchase Halal products (Aziz and Chok, 2013). Previous studies (Bonne et al., 2009) involved habit as an independent construct in Halal meat purchase intention while considering Halal awareness as part of an overall habit.

III. RESEARCH METHODOLOGY

PROBLEM STATEMENT

The halal industry has developed from concentrating on food to various other industries covering a wider area of lifestyle, and driving demands in food and non-food sectors such as cosmetics and personal care products, toiletries, Islamic finances, and tourism. The Islamic rule of Halal is very important to Muslim as it is a part of Islamic teaching that need to be follow by every Muslim people. Islamic teaches the many ways to prepare and consume the Halal foods such as Islamic slaughtering process, equipment cleanliness, and Halal food source selection. This rules and procedure might confuse the non - Muslim and give difference in understanding about the true Halal concept. On the other hand non-Muslims did not care whether the food is halal or

haram but it is also imperative to see if they actually purchase the halal certified products and services because the manufacturers have followed the Halal standard in its operation. There is a lack of a well-established Muslim religious measurement scale and how an understanding of consumers purchase intention- behaviour is affected by its outcome. Presently, since the demand of Halal Products is increasing globally, this research attempts to examine the factors that may affect purchase intention towards Halal products in Surat City using preliminary survey.

The research investigates consumer purchase intention for halal certified products in Surat City and the motives to explore the factors that build customer's purchase intention of Halal food products and to know the consumers personally satisfied when they are purchasing Halal food product. Researcher has used descriptive research design. The data has been collected from 100 respondents situated in Surat city. Both primary sources and secondary sources were used for data collection. For respondents, the well-structured questionnaires were administered, and the information was collected. Secondary data was gathered from various books, journals, blogs, newspapers, forums, research projects, studies published at national and international level by government and private research firms to gain insight into the research area. The sample required for the study has comprised of the data collected from Muslims in Surat city. This data are analyzed with the help of various or relevant statistical tools like frequency analysis, factor analysis, descriptive analysis, multiple response analysis, with the help of SPSS and excel package to generate meaningful results.

IV. FINDING OF THE STUDY

- Finding of the study are as follows;
- The demographic profile of the respondents influences the purchase intention of halal-certified products. Therefore the researcher analyses the demographic status of the respondents. It is clear that out of the 90 respondents, 81 Per cent respondents are male, 70 Per cent respondents are belonged to the age group of 24 and below years, 4.4 in the age group of 25-29 years, 6.7 Per cent in the age group of 30-34 years, 5.6 Per cent respondents belong to the age group of 35-39, 3.3 Per cent in the age group 40-44 and 4.4 in the age group 45 and above. 40 Per cent of the respondents studied up to graduation, 10 Per cent of the respondents are post graduates, and 32.3 Per cent of the respondents studied up to 10+2/Diploma level. 66.7 Per cent respondents are students covering the majority, 20 Per cent are salaried/private job professionals, 6.7 Per cent are doing their own business and only 1.1 Per cent are under salaried/government job. 13.3 Per cent of the respondents had family income of less than Rs. 2 lakhs, 22.2 Per cent of the respondents had 2-4 lakhs of family income, 14.4 Per cent of respondents had 4-6 lakhs of family income, 10 Per cent respondents has a family income of 6-10 lakhs and 22.2 Per cent of respondent had above 10 lakhs of their family income.

- Majority of the respondents believe that halal-certification is a good idea. The respondents strongly agree that they all should buy halal certified products, ready to buy halal-certified products in future and while purchasing items of daily use, they prefer buying halal-certified products.
- The respondents agree to prefer to buy halal-certified products even if the brand are not popular, buy halal-certified products even if they are slightly expensive, their family members and friends would like to buy halal-certified products and if halal-certified brands are available in stores, they would surely only buy halal-certified brands.
- The respondents agree that they make financial contributions to their religious organization.

V. Conclusion

The present study made an earnest attempt to achieve the objective of the Research study. In the ultimate analysis individual characteristics of buyers (respondents) their age, gender, educational qualification, profession, family income, all these factors determine their factors influencing halal products purchase intention in Surat city.

The result shows that there is a positive relationship between attitude and purchase intention. Attitude is an important factor in influencing consumer intention in purchasing Halal products because those with high positive attitudes appeared to have greater intentions to intent to purchase Halal products. Social pressure may compensate for high favorable attitudes in building intentions to purchase Halal products in such culture. Attitude is the individual's positive or negative feelings about performing a behavior.

The result shows that there is also a positive relationship between subjective norms and purchase intention. The research found that subjective norm was positively and significantly related to intention. Subjective norm is an individual's perception of whether people important to the individual think the behavior should be performed. Several past studies have found that subjective norm has a positive significant effect on purchase intention.

The result shows that there is a positive relationship between perceived behavioral control and purchase intention. In collectivistic cultures such as the Muslim culture, people tend to perceive themselves as interdependent with their group and tend to strive for in-group rather than personal goals. The relationship is a positive relationship which means that the greater impact of control in explaining variability in behavior is not unusual.

Consumers' awareness about religiosity level and halal products certificate differs. As the consumers' level of religiosity increases, their awareness regarding halal certificated products increases, too. Similarly, consumers' perceptions about halal certificated products show difference according to their level of education, gender, age group and occupation groups.

The survey even though focused on Muslim respondents and their purchase behaviour, research was able to find that Non-Muslims were equally aware and had a positive outlook towards the halal-certified products and brands.

Based on the results, the youth of Surat, both Muslim and non-Muslim, has at least the basic knowledge about halal that practiced in India. This is due to the exposure given from the society as halal is widely practiced across the country. The Surat youth shows interest in learning halal concept as it was applied to the most of consumer products produced in the country and the result show both Muslim and non-Muslim willing to buy and consume halal food product even though halal practices was not a part of non-Muslim's religion teaching.

VI. References

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