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# **Master of Business Administration**

Consumer Recognitions of Halal Products at General Stores in South Korea

Graduate School of Business Administration

The University of Ulsan

Business Administration Major

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# Consumer Recognitions of Halal products at General Stores in South Korea

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# Consumer recognitions of Halal products at General Stores in South Korea.

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#### Abstract

The significance of religion and spirituality in consumer purchasing decisions is increasingly attracting the attention of researchers and consumer practitioners. However, its role in consumer behavior has not yet been established, especially in relation to the purchasing behavior of Muslims when buying halal food from global markets in non-Muslim countries. This study looks at how religious beliefs affect consumers' shopping habits in South Korea supermarkets. Specifically, this study aims to examine whether religious convictions Muslims' purchasing habits in South Korean markets are affected by halal consumption limitations on their diet and whether there is an option for markets to adopt halal eating practices. This study is also attempting to ascertain how non-Muslim Koreans perceive halal and whether Koreans of different religious persuasions and religions are prepared to accept the practice of halal food separation in stores, as well as to examine their expertise and patience for halal foods.

157 participants, including 26 Muslims and 131 non-Muslim respondents of various religions, completed the online questionnaire. The results of this study confirm that religious and spiritual beliefs among consumers of a particular faith (Islam, Christianity and other religious groups) influence their shopping behavior in supermarkets, especially Muslim consumers. In particular, the results show that Muslim consumers would support separate display of halal and non-halal products in South Korea supermarkets. This study contributes to the literature on retail and consumer behavior by examining the influence of religious and spiritual beliefs on shopping behavior in supermarkets, especially in the halal area. Products are displayed and sold in supermarkets in non-Muslim countries.

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### **Chapter 1 Introduction**

#### 1.1 Research background and objectives

Up to now, Halal industry is one of the fast growing businesses in the world market. Halal is an Arabic term that means permitted or lawful in Islam. Dindyal and Dindyal (2003) focused on the role of religion in food choices. This research illustrated the effect of religion in many various societies. However, there is loss of readability concerning the connection among faith and Halal food choices. This is because there is little data on how religion affects people's eating choices (Delener, 1994). Regenstein (2003) mentioned that Islam has the clearest implications on eating meals and living at life among all religions. These kinds of dietary guidelines specify that Muslims must eat only Halal. Halal foods not only limited ideas for Muslim but also to everyone because the main thing Halal food is cleanness in every process and follows Halal standard which might be different in each country. This Arabic letters called "Halal" are usually used on food product packages. It is a symbol of food allowed for Muslims and means cleanness following food production standard. Halal food as food taken by Muslims does not contain pork, animals that were dead prior to slaughtering, animals not slaughtered properly or not slaughtered in the name of Allah, blood and blood by products, carnivorous animals, land animals without external ears and alcohol (Regenstein, 2003). Among the Muslim and non-Muslim nations the understanding and concept of Halal have been expanding. The idea of Halal underscores cleanliness, security, nutrition, reliability, honesty and administration of food items Halal must free from pork items, alcohol and alcohol based products, and other synthetic items. Halal foods are related to religious convictions so they can also be attributed to the ethics and certification standards governing by them (Hanzaee & Ramezani, 2011). Nevertheless, the purchase of Halal items, like making an internet transection, associates with risk (Tieman, 2011; Wilson & Liu, 2010). As Tieman (2011) summed up supply of halal products based on consumer's perceptions as a complex matter due to the variety of Islamic cultures, Islamic schools of thought, local Fatwas and local customs. Furthermore, various ethnics, races and

environmental background of each society like Arabian, Asians, African or European people added more unclear understandings of the halal market. The complexity escalates in multicultural societies like Malasia where it is diverse in terms of religious and ethnic. In other words, individual might perceive a low level of risk toward purchase and consumption of Halal items in other Muslims countries such as Arabia, Pakistan and Uzbekistan where entire country's legal system is designed based on Shariah (Islamic law) (Jafari & Scott, 2014) and their contexts are not diverse and multi-religious as Malaysia (Muhammad, Isa & Kifli, 2009).

The international trade of Halal foods market is enormous and is a fast growing segment in the world (Shah Alam and Sayuti, 2011). As such, there exists a huge market and opportunities in the Halal food business domestically and internationally. Muslims worldwide today are experiencing an increase in their awareness towards the Halal concept and this has opened up the demand for Halal foods in compliance with their religious requirements. Furthermore, the Islamic awareness of Halal food is expanding worldwide especially in the non-Muslim countries. This will create new markets for Halal food products as awareness of Halal food increases over time. Halal accreditation is considered the benchmark for nourishment security, quality confirmation and many beneficial characteristics which are not as they were to be delighted in by Muslim buyers but moreover by non-Muslims customers. For illustration, Halal necessities meet numerous customary quality standards, such as ISO 9000, Great Hygienic Practice (GHP), Great Fabricating Hones (GMP), veterinary review, Codex Alimentarius and Danger Investigation and Basic Control Point. Therefore, the industry which executes the Halal requirements will deliver superior quality food products compared to those that execute the customary measures (Talib and Ali, 2009). However, Halal values can be popularized among non-Muslim shoppers on the off chance that the society is made to be more aware of the benefits concerning wellbeing, cleanliness, security, the environment, social equity and animal welfare that comes at the side the Halal ways of doing things.

# 1.2 Organization of the paper

Chapter 1 describes the research background and purpose. Chapter 2 reviewed the literature related with Halal products. Chapter 3 described the research model and hypotheses. Chapter 4 explained the research methodology and results. Finally, chapter 5 showed the conclusion with managerial implication, limitations of the study and suggestions for future study.

### **Chapter 2 Literature Review**

#### 2.1 Halal and Haram in Islam

The word Halal comes initially from Arabic language meaning: allowable, satisfactory, permitted, and/or passable. The concept of Halal is not as it was related to food or food items (as most people will anticipate or think), but it goes past food to cover all the aspects of a Muslim individual life (male or female). Within this respect the concept of Halal is built around the requirement for any Muslim to have items that are admissible, worthy, allowed, and passable from a devout point of sight. As such, the concept of Halal incorporates any Islamic Shari'ah-compliant product which begins with food and refreshments and moves from it to cover managing an account and back, tourism, cosmetics, pharmaceuticals, occupations, travel, innovation and transport administrations, etc. For a product to be Halal (compliant with Islamic Shari'ah), it must meet the requirements of Shari'ah as found in its sources. The two most critical sources of Islamic Shari'ah are the Holy Quran and th Sunnah. The following are the various verses from the Al-Quran, the Holy Book of Islam, which provides the basic guidelines of the permissible foods for the consumption of its followers: Prohibited to you are dead animals, blood, the flesh of swine, and that which has been dedicated to other than ALLAH, and [those animals] killed by strangling or by a violent blow or by a head-long fall or by the goring of horns, and those from which a wild animal has eaten, except what you [are able to] slaughter [before its death], and those which are sacrificed on stone altars, and [prohibited is] that you seek decision through divining arrows That is grave disobedience. This day those who disbelieve have despaired of [defeating] your religion; so fear them not, but fear Me. This day I have perfected for you your religion and completed My favor upon you and have approved for you Islam as religion. But whoever is forced by severe hunger with no inclination to sin - then indeed, ALLAH is Forgiving and Merciful.

Haram is an Arabic meaning prohibited or unlawful. Haram activities are forbidden for every Muslim. Haram foods are unlawful and prohibited for Muslims. Haram foods include alcohol and intoxicants, lard, pork products and pork by-products, animals improperly slaughtered or dead before slaughter, animals killed in the name of anyone but Allah, carnivorous animals, birds or prey, blood and blood by-products, and foods contaminated with any of the above products (Al-Baqarah: 173) The aforementioned meats are not allowed, but there is an etiquette concerning meat that is allowed. For a product to be halal it must be as a whole and in part (El-Mouelhy):

- 1. Free of, and not containing any substance or ingredient taken or extracted from a haram animal or ingredient.
- 2. Made processed, produced, manufactured and/or stored by using utensils, equipment and/or machinery that has been cleansed according to Islamic law.
- 3. Must never have come into contact with, touch or be close to a haram substance during preparation, making, production, manufacture, processing and/or storage.

### 2.2 Concept of Halal in the Quran and Sunnah

Allah (S.W.T) has created all that is in the earth for the purpose of human survival and sustenance in life as in the indicated in many verses of the Holy Quran where He says:

"It is He who have created all that is in the earth for you" (Qur'an, 2:29).

Therefore, nothing is forbidden except what is prohibited either by a verse of the Quran or an authentic and explicit Sunnah of the Prophet Muhammad (SAW). To make lawful (Halal) or unlawful (Haram) is the right of Allah alone. No human being, no matter how pious or powerful, may take it into his hands to change it. The basic reasons for the prohibition of things are due to impurity and harmfulness. As a Muslim, a person is not supposed to question exactly why or how something is unclean or harmful in what Allah has prohibited, rather we should render our appreciations and gratitude to Him (SWT) as indicated in the following verse of the Holy Quran:

"O ye who believe! Eat of the good things wherewith We have provided you, and render thanks to Allah if it is (indeed) He whom ye worship" (Qur'an 2:172)

An in-depth understanding of human beings about what Allah has prohibited demand our appreciations because the prohibitions of those things are for our own safety. Looking for excuses are among the biggest lies told against Allah or a form of distortion of what He permits and forbids. Thus, Allah's order on prohibited and non-prohibited things must be followed by all Muslims. The fact is that Islamic laws are universally applicable to all races, creeds, and sexes. Allah has commanded us to do that which He commanded the Messengers, where He says:

"O ye Messengers! Eat of the good things, and do right. Lo! I am aware of what ye do" (Quran 23:51).

As such, the term halal encompasses cleanliness and hygiene in food preparation because cleanliness is part of religion and Allah only permits hygiene, safe and halal foods or products for Muslims' consumptions. This is clearly highlighted in the following ayah of the holy Quran where He says:

"He hath forbidden you only carrion, and blood, and swine flesh, and that which hath been immolated to (the name of) any other than Allah. But he who is driven by necessity, neither craving nor transgressing, it is no sin for him. Lo! Allah is Forgiving, Merciful" (Qur'an 2:173).

In the above mentioned ayah of the Holy Quran, we have been clearly informed on what kind of food Muslims should consume and not to consume. The reasons for prohibitions are even substantiated with clarifications through Quranic exegeses by Ulamah. For example, the reasons for forbidden carrion and dead animals are due to unfit for human consumption where their decaying process leads to the formation of chemicals which are harmful to humans. Blood that is drained from an animal contains harmful bacteria and toxins, which are harmful to human products of metabolism and development. Some of these authentic reasons are even highlighted in the following Quran where Allah (SWT) says:

"And verily in cattle (too) will ye find an instructive Sign. From what is within their bodies between excretions and blood. We produce, for your drink, milk, pure and agreeable to those who drink it." (Qur'an 16:66).

From this verse, we can see that Islam only allows a good and healthy food for Muslims to be consumed. For example, milk is a complete food, rich in protein, calcium, vitamin A and B This natural and provisional advantage is only possible to be derived from lawful animals when they are alive. When they die, it becomes Haram because of the like harmful effects one may encounter from eating or drinking out of the dead animals

#### 2.3 The Muslims

Religion is the core of Muslim personality that applies to all Muslims all over the world. The Islamic concept of religion is fundamentally diverse from Judeo-Christian traditions with respect to the meaning and scope of religion, the nature of the acts of worship and the measurements of religious life (Ilyas, 1992). For Christians and Jews, religion is one hundred percent spiritual; totally isolated from the fabric existence of man (Hashim, 1980). Agreeing to Ilyas (1992), whereas Islamic religion can be characterized as the way of life based on the command of God; not at all like other religions, Islam covers all viewpoints of human presence.

Numerous Muslims accepts that utilization has an imperative part in personality creation. The expanding social and devout self-awareness of Muslim individuals changes and differentiates markets and customer conduct. Taqwa, the religiosity of Muslim individuals, is an Arabic word. It is characterized within the Quran as "the whole pursuit of value and avoidance of disvalue in general" (Dar, 1963). Muslims with taqwa are self-controlled people who let the command of God to direct them. Taqwa be subject to, and is the result of, confidence in God and veneration of him. The Quran has been appeared to make the demeanor of taqwa, or ethical quality of individuals (Ilyas, 1992).

### 2.4 Religion and consumer behaviour

Religion defines ideas for life, therefore, are reflected in the values and relations between society and individuals (Fam et al., 2004). Past research shows that religion makes a significant impact on values, habits, attitude and lifestyle; subsequently affects consumer behaviour in decision making (e.g. Delener, 1994, Pham et al, 2004, Lindridge, 2005, Sud and Nasu, 1995, Wilks et al, 1986). Hirschman (1983) suggests that religious affiliation Catholics, Protestants and Jews have a significant influence on the attitude of clients to dance, magazines, restaurants and political ideas. the results of Wilkes et al. (1986) provide some supporting the view of religion as important building to study consumer behaviour. Moreover, Delener (1994) gives empirical data on the relationship between religious orientation and decision-making behaviour models, especially in the automotive industry. A study by Suda and Nasu (1995) indicates that religiosity in the context of American Protestants was a decisive factor in consumer behaviour. Fam et al. (2004) researched the influence of religion on attitudes towards advertising of controversial goods. Their research shows that Islamic followers gender detected products, social/political groups, health and care products, the most aggressive compared to others three religions (i.e. Buddhism, Christianity and non-religious believers).

The most recent study done by Asian Food Information Center in 2002 with 600 customers in China, Indonesia and The Philippines found that the vast majority respondents said they worried about the food they eat. Respondents from Indonesia expressed the greatest concern about the food they eat (99%) followed closely China (95%) and the Philippine (93%). Another serious concerns for Indonesian respondents were preservatives or additives (20%) and adequate packaging (28%). Three most important sources of information about any food relevant health and safety issues in Indonesia have been given as Ministry of Health (66%), television (30%), and Indonesian Theology Committee (27%). But another 20% in Indonesia wanted the Halal label. A similar survey was conducted by the National University of Singapore which researches Muslim attitudes towards halal food

revealed that 48.8% of respondents consider halal food to be food allowed, which is good for their physical and spiritual well-being. For non-Muslims, this is food. which is safe and useful for general well-being of Mankind. In addition, 85.9% respondents believe that they eat only halal food very important, and 68.5% will look at list of ingredients if there is no halal logo. They will only buy a product if it is free from any haram (i.e. illegal) or subnah (i.e not sure, if it is halal or haram ingredient. Halal tag is taken into account before buying meat in the supermarket answered 99.5% of respondents. Briefly, the results of these studies show that religion plays a significant role in every aspect of society; i.e. religious values or religiosity can be meaning fully linked an important way of life (Wilkes et al., 1986). Thus, marketers (Fam et al., 2004) should not underestimate the influence of religion on behaviour. Particularly for Muslim clients, religion plays an important role in consumption halal food/meat (Bonn and Verbeke, 2006).

## 2.5 Food and Religion

Food is a pleasant life necessity. Food is the way to complete life experience. Religions ask the divine for food and express gratitude for the same (Raman, 2014) and there are prayers before and after meals in religious tradition.

All religions impose rules on what is allowed to be eaten and what should be eaten. Do not even touch or smell it. Prophets of Judaism, Christianity, Buddhism, Jainism, Islam, Sikhism, and the rishis of the Hindu tradition have left behind guidelines on what can and cannot be eaten. Judaism prescribes kosher and forbids their food, Jainism is based on the principle of doing no harm any living creature in Christianity, except for refusing fish on Fridays and eating only moderately during Lent, food restrictions are relatively less strict, food is restricted in Islam, classified as halal or legal food and haram or illegal food - halal meat refers to the flesh of the animals that were killed, calling on the name of god. The list of haram foods is very similar to the list in Jewish tradition, except that Islam allows the consumption of seafood and, unlike Judaism, prohibits alcoholic drinks (Raman, 2014).

With the world's population surpassing 7.9 billion, about 1.8 one billion (21.4%), Muslim consumers worldwide are becoming more aware of what they eat and consume and look for products and services that are halal and the two main sources of Islam, the Qur'an and the life and teachings of the Prophet Muhammad (Hadith) offer Muslims guidance on how to eat halal food (Atalan, 2015). Foods specifically prohibited under Islamic dietary laws include meat from corpses, blood, meat of animals not slaughtered according to Islamic rites, pork 16 foods and intoxicants such as alcohol (Riaz & Choudry, 2004). The evolution of views on Muslim dietary rules, the emergence of global halal markets and commercial food audit influenced the modern understanding of the concept of halal (Atalan and Helike 2015). The globalization of religious markets has led to increasing the amount of food on supermarket shelves and in the aisles. Growing interest in halal lies between globalized food systems and diverse interests, relationships and regulatory framework as consumers lose direct relationships based on about trust and personal communication (Fiscer, 2009).

Choosing Muslim consumers has never been easy when they shop for food. Muslims are entrusted with protecting their bodies by eating and drink only what is permitted by Islamic teachings, as a guarantee that the soul are also protected, and eating halal foods and drinks means that foods complies with the requirements established by the Shariah, while for a non-Muslim consumer, it is a symbol of hygiene, quality and safety (Ambali & Bakar, 2014). A growing number of Muslim consumers are concerned possible contamination and looked for information to assess whether all stages food production is halal, where halal compliance applies to all costs network, from research and development to sales and marketing (Solihu & Ambali, 2011).

Thus, this study will determine whether a separate island for halal products effective and ideal strategy for Muslim consumers to shop without fear of selecting products tainted with non-halal products due to direct contact with haram which causes cross-contamination, may deter Muslim consumers to make their purchase. The associated risk starts with the doubt that the product is truly halal. When there is even a small amount of doubt, a denial must occur.

According to Timan, Ghazali and van Der Voorst (2013), the risk depends on product characteristics where surrounding and unified products have less risk compared to chilled and bulk products. They further added that perception is based on market characteristics such as Islamic school of thought, local fatwas (religious ordinances) and local customs. So proper separation is the only way to allow Muslim consumers to shop at local markets without fearing contamination.

#### 2.6 Consumer Perceptions and Demographics

Several internal and external factors may influence customers' behaviour and attitudes. One of those indicators is demographics and cultural background of the customers that shaped based on complex elements defined by society (Moutinho, 1987). Importantly, Halal market progress mainly depends on satisfying customer's needs that can be achieved by offering a high level of service and product quality, which may vary based on customer demographics (Anderson, Tommy & Mossberg, 2004).

The demand for halal products has increased in many non-Muslim countries (Bonn and Verbeke, 2008), and this increase is not only occurring among Muslims but also non-Muslims, and this has been proven when large companies such as McDonald's, KFC, Dominos, Subways and many others, started offering halal products and services (Bergeaud-Blackler, 2006). Some recent studies have been conducted to ascertain hostility towards religiously approved foods such as kosher and halal in various parts of Europe (Schlegelmilch and Hahn, 2012), but specific studies of the perception of Muslims and non-Muslim about halal products in local supermarkets is necessary and this study is expected to fill this gap.

#### 2.7 Purchase intention

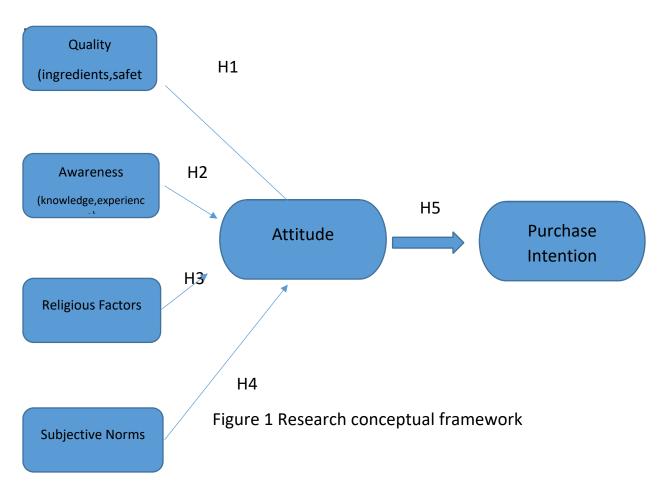
Purchase intention has been described as the consumer's intention to purchase a product or patronize a service organization (Shao, Baker, & Wagner, 2004), or willingness to buy a particular product or service. Purchasing intention provides the relationship between

consumers' reactions to a product or service and their purchase or use of products or services (Dodds, Monroe, & Grewal, 1991; Gruber, 1970; Karim, Rahman & Ariffin, 2011). The intention to make a purchase is the main determining factor of actual buying behaviour (Van der Heyden, Creamers, 2003). Most formal models of consumer behaviour explain intent as a key variable between attitude and selection behaviour, indicating that intentions trump beliefs or other cognitive measures as behavioural factors (Warsaw, 1980). People perform the behaviour to be confirmed in a simple but perhaps most effective way (Fishbein & Ajzen, 1975). Religious affiliation influences consumer purchasing intention and serves as an important variable for consumer segmentation (Engel, 1976; McDaniel & Burnett, 1991). Religious affiliation with its rules and taboos also contributes to different choice behaviour and purchase intention from his followers (Nix & Gibson, 1989). But "the heart of religion is commitment" (Stark & Glock, 1968: p. 1) and because of their firm commitment to the faith, highly religious people are often considered limited or rigid (Delener, 1994; Mokhlis, 2006a; Stark & Glock, 1968). Religious commitment extends not only to religion, but also to people who demonstrate obligations in many areas of the life, including consumer behaviour such as choice behaviour and purchase intention (Mokhlis, 2006).

### **Chapter 3 Conceptual research model and hypothesis**

### 3.1 Conceptual framework of the study

This study explains how people's beliefs or perceptions are determined or influenced by their desire to carry out their buying behaviour. Thus, this study predicted that people perform certain behaviours based on the predicted conceptual model as suggested by the researcher. The researcher proposed four main components that can affect consumer's attitude and purchasing Intention for halal food products. The proposed conceptual model consists of independent variables (quality, awareness, religious factors and subjective norms) and dependent variables (attitude and purchase intention). This paper develops a model as shown in Figure 1. The purpose of the diagram is to explore the impact of quality, awareness, religious factors and subjective norms on attitude to buy halal products.



#### 3.2 Research Hypotheses

Halal food consumers and producers focus on food qualities (Riaz and Chaudhry, 2003). In addition, qualities affect consumer attitudes towards halal products (Omar et al., 2008b). Dowd et al. (2011) and Dali et al. (2007) showed that for both non-food and food products, Muslim consumers strictly follow the principles and laws of Sharia. In other words, they are conscious of halal product ingredients. They refrain from eating haram (forbidden ingredients) such as gelatin and other products containing lard. This includes crockery, toiletries, alcohol, cookies and stationery. In addition, consumers demand Halal products such as juices, cosmetics and non-haram candies ingredients (Zakaria and Abdul-Talib, 2010). This indicates that the halal consumer is motivated by product qualities and ingredients. Therefore, I propose the following hypothesis.

H1: Halal food quality (ingredient ,safety) has a positive impact on attitude to purchasing halal food products.

Awareness is an important part of determining the intent to choose a particular product (Aziz and Chok, 2013). It is the concept of knowing and then applying certain behaviour. Awareness reflects the first step in the buying process, in which consumers, poorly versed in a product or service, do not get acquainted with it. In other words, awareness means knowledge or understanding of a particular subject or situation (Randolph, 2003). In a halal context, consumer awareness of halal influences their decisions to buying halal food (Zakaria et al. 2017). Mutmina (2018) concluded that halal awareness has a positive and significant impact on purchasing intention. In addition, consumer awareness of halal influences decisions regarding buying halal food (Zakaria et al., 2017). Similarly, Hamdan et al. (2013) showed that awareness is the most influential factor influencing Muslim consumers' choice of halal food. Other studies (e.g. Bashir et al., 2018; Krishnan et al., 2017; Zakaria et al., 207; Ya et al., 2017) found that awareness has a positive effect on consumer intentions. The results of previous studies confirm

that awareness of halal products has a positive effect on purchase intention. Based on previous literature, the following hypothesis is proposed.

H2: Consumer halal awareness has a positive impact on their attitude towards purchasing halal food products.

Concerning the influence of religion, beliefs and practices in the religions are taught and focused on family and society (Den, 2011). These types of beliefs and practices influence food consumption (Lada et al., 2009). Moreover, Mukhtar and Mohsin Butt (2012) and Naina Mohamed and Mohd Daoud (2012) found that religion motivates consumers to eat choice. In addition, Dali et al. (2007) and Shakharudin et al. (2010) stated that religion significantly influences consumer behaviour and purchasing intention in relation to food. Accordingly, religious precepts guide consumption-related purchasing decisions with meat products (Bonne & Verbeke, 2008; Mullen et al., 2000; Shatenstein & Gadirian, 1998). In the case of halal food consumption, the religious factor is significant for Muslim clients; thus, its impact on their expectations of halal shopping may bring important results. So I took the multiplier and proposed the following hypothesis.

H3: Consumer's halal food buying intention is positively influenced by the religious factor.

With regard to subjective norms, this is a person's view of behavior (Rhodes et al., 2002); this encourages the person to try or copy the behaviour (Ajzen, 2011; Rhodes et al., 2002). Subjective norms depend on higher psychological procedures (De Vries et al., 1988), control one's feelings (Hill et al., 1996) and individual decisions (Park, 2000). For example, food safety issues, food ingredients, food processing and food knowledge consumption may include subjective norms that guide a person's decision so the following hypothesis is proposed.

H4: Subjective norm has a positive and significant impact on consumer attitude to purchasing intention.

Attitude is a favorable or unfavorable tendency of an individual's behaviour in relation to any object. Eizen (1991) defined behavioural attitudes as the degree to which the person positively

or unfavorably assesses the behaviour in question, the consumer attitudes and intention to buy products are commonly discussed in prior literature as in halal and non-halal contexts (Ozgen and Kurt, 2013). Therefore, it is worth testing influence of consumer attitude on purchase intention and purchase intention with their behaviour when buying halal products in the future. Khan and Azam (2016) found that ratio should have been most significant in predicting intention to buy halal-certified products. Similarly, Golnaz et al. (2010) showed that consumer attitudes towards halal food is an important predictor of intention. Similarly, the study by Afendi et al. (2014) and Lada et al. (2009) found that attitudes towards halal foods are associated with the intention to consume halal foods. Other studies confirm that consumer attitudes towards halal food have a significant and positive impact on purchasing intention (e.g. Abd Rahman et al., 2015; Bashir, 2019; Mukhtar and Butt, 2012; Shah Alam and Mohamed Sayuti, 2011).

This study is designed to explore the factors that build customer's purchase intention of Halal food products. This study endeavoured to offer answers to problems like what are the measures based on which customers purchase Halal food products. What are critical factors based on global priority weights? What makes them personally satisfied when they are purchasing Halal food product? In addition to this, the significant differences among the factors influencing purchase intention in different groups of religious beliefs have also been explored. Furthermore, this study would conclude with setting up imperative consequences for prevailing and prospective companies of Halal food industry and deliver strategies to the organizations as to how diverse customer group can and what type of marketing approaches they can use to increase their coverage and exploit the positive attitude and intentions to purchase Halal food products so the following hypothesis is proposed.

H5: Consumer attitude has a positive influence on their purchasing Intention.

### **Chapter 4 Methodology and results**

#### 4.1 Data collection and sample

The data were collected through a personally administered questionnaire in South Korea. The questionnaire targeted residents in South Korea. A total of 157 valid responses was received. The respondent's profiles are presented in Table 1, of the total participants, males comprised of 73.2 % and females, 26.8 %. The respondents of this survey contains distinctive collections of age and social status as follows; between 18-25 years old (12.7%), 26-30 years old (47.1%), 31-40 years old (35.7%), 41 and above years old (4.5 %) and single (44.5%), married (52.2%) and others (3.3). In terms of religious affiliations, almost a third of the respondents were non-religious (28.7%), Muslims (16.5%), Christians (26.8%), Buddhists (9.6 %), Hindus (8.9%) and others (9.6 %). Due to the low numbers of Buddhists, Hindus and others, these groups were later combined together into one group. In terms of education, a large proportion of the participants demonstrated (33.7 %) for bachelor's degree, high-school graduate (31.2 %), master's degree (26.1%), PhD degree (5.7%) and have not completed high-school (3.2%). And lastly in occupation most of the respondents are employee (57.3%), Students (27.3%), Self-employed (8.9%) and then unemployed (6.3%). Finally, under the demographic section, respondents' were asked their attitude of purchasing halal food, the respondents demonstrated agree (40.7 %), neutral (38.9) and small number of respondents disagree (20.4%).

<Table 1> Sample Characteristics.

Characteristics	ltem	Frequency	Percentage (%)	
Gender	Male	115	73.2	
Gender	Female	42	26.8	
Age	18-25 years old	20	12.7	
	26-30 years old	74	47.1	
	31-40 years old	56	35.7	
	41and above years	7	4.5	

	old		
	Single	70	44.5
Social status	Married	82	52.2
	Others	5	3.3
	Have not completed High school	5	3.2
	High school diploma	49	31.2
Education	Bachelor's degree (not completed)	53	33.7
	Master's degree	41	26.1
	Ph.D.	9	5.7
	Islam	26	16.5
	Christian	42	26.8
Delinion	Hinduism	14	8.9
Religion	Buddhism	15	9.6
	No-religion	45	28.7
	Others	15	9.6
	Student	43	27.3
Occupation	Employee	90	57.3
Occupation	Unemployed	10	6.4
	Self-employed	14	8.9
	Agree	64	40.7
Do you buy	Neutral	61	38.9
halal products if	Disagree	32	20.4
it is available?	Total	157	Percentage 100%

### 4.2 Hypothesis testing

Testing the hypotheses aims to discover which independent factors provide a significant contribution to the interpretation of the dependent factors (Hair, Blake, Babin, & Tatham, 2006). In this research, the hypothesis testing was managed by SPSS (latest version of 2020). The probability value (p-value), which were lower than 0.05, were considered significant (Afthanorhan & Ahmad, 2014). As mentioned above the results of hypotheses testing are shown as supported or not supported so hypotheses are significantly supported since p-value were below 0.05.

The R square and adjusted R square in Table 2 indicated that the model used in this study could be explained by 74.8 % and 70.4 %, respectively. This means that 75% of the changes on attitude to consume the halal food are explained by the changes in independent variables of Quality, Religion, Awareness and Subjective norm. Thus, the model proposed in the present study is a good fit model.

<Table 2> Summary of the model

N/II - I	0
wodei	Summarv

Mode		R	Adjusted R	Std. Error of
1	R	Square	Square	the Estimate
1	.865ª	.748	.742	.51858

a. Predictors: (Constant), Subjective, quility, Religion, Awareness

<Table 3> Anova of the model

#### **ANOVA**<sup>a</sup>

Sum of			Mean			
Mode	el	Squares	df	Square	F	Sig.
1	Regressio n	121.416	4	30.354	112.871	<.001 <sup>b</sup>
	Residual	40.877	152	.269		
	Total	162.293	156			

a. Dependent Variable: purchase

b. Predictors: (Constant), Subjective, quility, Religion, Awareness

<Table 4> Results of regression analysis

### **Coefficients**<sup>a</sup>

				Standardize		
		Unstand	lardized	d		
		Coeffi	cients	Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1 (C	Constant	.087	.165		.532	.596
)						
qı	uility	.162	.079	.167	2.049	.042
R	eligion	.473	.069	.497	6.801	<.001
A	warene	.183	.081	.196	2.263	.025
SS	6					
S	ubjectiv	.115	.052	.105	2.202	.029
е						

a. Dependent Variable: attitude

Stock et al. (2005) stated in their early studies that a F value of less than 10 is often regarded as weak. Given that the significant value is 0.000 and the F value is more than the critical value, the model employed in this study is a good fit model.

Following the guidelines set forth by Hair et al., multiple regression prediction models were used to evaluate the hypotheses (2006), with halal food attitude and purchase intention as dependent variables. The results, as shown in Table 4, showed that Religion was found to be highly significant in the prediction model. The result provides support for hypotheses H2 that is, the

relationship of habit ( $\beta$  = 0.473 and p < 0.05) is highly significant for halal food attitude and purchase intention. The researcher also observed that Awareness also significantly influenced purchase intention significantly ( $\beta$  = 0.183 and p = 0.25), it indicates significant relation. Additionally, the result indicated the positive relationship between purchase intention and two independent variables (Quality and Subjective norm). My research finding is in line with early research finding by Aditami (2016); they found that consumers have a positive and strong influence of buying halal food products; it indicates that attitude significantly influences consumers' purchase intention toward halal products.

Moreover, According to regression of attitude and purchase intention  $R^2$  = .681 attitude  $\beta$  = .774 attitude effects purchase intention positively.

<Table 5> The summary of the model

**Model Summary** 

Mode		R	Adjusted R	Std. Error of
1	R	Square	Square	the Estimate
1	.825ª	.681	.679	.57794

a. Predictors: (Constant), Attitude

<Table 6> Result of regression.

#### Coefficientsa

			Obelliciel	113		
				Standardize		
		Unstand	lardized	d		
		Coeffi	Coefficients			
Model		В	Std. Error	Beta	t	Sig.
1	(Constan	.433	.162		2.667	.008
	t)					
	Attitude	.774	.043	.825	18.190	<.001

a. Dependent Variable: purchase

## **Chapter 5 Conclusion**

## 5.1 Summary and managerial implication

This study analyzes the recognitions of Muslim and non-Muslim consumers to a halal show in nearby South Korea general stores. The results show that the acquiring behavior of Muslim customers depends on their religious/spiritual beliefs. belief which they will support isolated display of halal and non-halal groceries in nearby South Korea general stores. It affirms that there is important relationship between Muslims and the counter of a partitioned showcase for halal food due to the level of disgust when viewing passages. This also examined whether there is information of what is halal among non-Muslims have any impact on their recognition and resilience of separate grandstand for halal products in nearby grocery stores.

Based on the responses of Muslim shoppers, this study appears that key highlights for them when choosing halal items in nearby grocery stores are solely based on their conviction in Islam and belief in products, processed in understanding with Islamic teachings. Muslim buyers would hence like to see a more proactive approach by neighborhood general stores to guarantee a clear an identifiable halal food slow down so they can shop without fearing contamination of the meat they are getting to purchase Due to the high level of knowledge and resistance for halal on the portion of non-Muslim customers, and the requirement on the portion of Muslim customers to meet their needs a key recommendation for South Korea general stores is to consider halal displays.

## 5.2 Limitation of the study and suggestions for future study

Like all other empirical research, this too had its limitations. While this research may allow local store managers to consider segregating halal products and non-halal products, restrictions must be considered. South Korea country with not a small population, in order to achieve a good sample size of Muslims it was problem and this

study was limited to respondents in the Ulsan and Daegu areas. This choice was made on the assumption that Muslims living in the this areas would be able to contribute to survey and research. Although the researcher was able to contact desired number of Muslim participants, but as in any other study, in this study it was also clear that the responses received were either incomplete or invalid. Which resulted in fewer completed questionnaires.

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## APPENDIX

#### SURVEY QUESTIONNAIRE FOR DATA COLLECTIONS

The Study Questionnaire in English. UNIVERSITY OF ULSAN- South Korea

"Consumer recognitions of Halal products at General Stores in South Korea.

Focusing on resident satisfaction"

#### REQUEST FOR DISTRIBUTION OF THE SURVEY QUESTIONNAIRE

To: "Residents in South Korea"

Date: (january 2021 – May 2022)

Dear Participant,

Thank you for filling out this survey.

I am a master's degree student under the supervision of Professor Dr. Kim Doyle, at the University of Ulsan – South Korea. I'm in the process of evolving an analysis for my master's degree thesis 'Consumer recognitions of Halal products at General Stores in South Korea Focusing on resident satisfaction', that the resident satisfaction is the mirror in which the results of any reforms can be seen.

As a resident of South Korea, please help me in my research by filling out this questionnaire. I would greatly appreciate your participation in this regard.

Note: The data collected from this study are planned to be used for my master's thesis in Resident satisfaction on Halal Food in South Korea. I also ensure that the data collected from this study will have complete anonymity and confidentiality and will only be used by the researcher.

Thank you for your cooperation!

With respect, Jahongir, Saidov Mob: +8210-5575-0995

E-mail: jahongir.saidov950430@gmail.com

# **Section 1: DEMOGRAPHIC**

SEC	TION1: DEMOGRAFIC INFORMATION
A.	GENDER:
1)	male
2) f	emale
В.	AGE:
	1)18-25 years
	· · ·
	2)26-30years
	3)31-40years
	4)41years and above
C.	Social Status:
	1)Single
	2)married
	3) others
D.	Education level
	1) have not completed high school
	2) High-school diploma
	3) bachelor's degree

5	) PhD.
E. R	eligion:
1) Isla	am
2) Ch	ristian
3)Hin	duism
4)Bud	ddhism
5)no-	religion
6) otł	ners
F. C	Occupation:
1	) Student
2	) Employee
3	) Unemployed
4	) Self-Employed

4) master degree

**Section 2: Quality:** Please tick (V) the extent of your agreement with the following statement with a scale of 1-5

	Quality	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Q 1	Product quality is good	1	2	3	4	5
Q 2	Halal products are clean	1	2	3	4	5
	and safety					
Q 3	Ingredients are natural of	1	2	3	4	5
	Halal products					

**Section 3: Religion :** Please tick ( $\lor$ ) the extent of your agreement with the following statement with a scale of 1-5

	Religion	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
R 1	Believes in religion is important to purchase Halal products.	1	2	3	4	5
R 2	Religious beliefs and activities influence all my dealings in life	1	2	3	4	5

**Section 4: Awareness :** Please tick (V) the extent of your agreement with the following statement with a scale of 1-5

	Awareness	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
AW1	I am aware of Halal	1	2	3	4	5
	products					
AW2	I know about halal foods	1	2	3	4	5
AW3	I have an experience of	1	2	3	4	5
	consuming of Halal food					

**Section 5: Subjective norm:** Please tick (V) the extent of your agreement with the following statement with a scale of 1-5

	Subjective norm	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
S 1	I am influenced by other's opinions.	1	2	3	4	5
S 2	I am likely to get other's approval.	1	2	3	4	5

**Section 6: Attitude:** Please tick (V) the extent of your agreement with the following statement with a scale of 1-5

	Attitude	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
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AT 1	I like halal foods	1	2	3	4	5
AT 2	In my view, buying halal food products is a good idea.	1	2	3	4	5

Section 6: Purchase intention : Please tick ( $\lor$ ) the extent of your agreement with the following statement with a scale of 1- 5

	Purchase intention	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
PI1	I always intend to buy	1	2	3	4	5
	halal food products if it					
	is available.					
PI2	I plan to buy halal food	1	2	3	4	5
	products even if it is not					
	sold close to me.					
PI3	I intend to continue buying	1	2	3	4	5
	halal food products in the					
	future.					