Predicting Muslim Consumers’ Purchase Intention of Previously Retracted and Recertified Halal Products

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ABSTRACT
The purpose of this paper is to test the influence of attitude, subjective norms, brand image and halal knowledge on the purchase intention of previously retracted and recertified Halal products among Muslim consumers. This study used self-administered questionnaires that were distributed using convenience sampling. A total of 200 questionnaires were collected from respondents in Kelantan, Negeri Sembilan, Selangor and Perak. The findings of the study revealed that attitude, subjective norms and brand image significantly predict Muslim consumers’ purchase intention of previously retracted and recertified Halal products. However, halal knowledge was found to be insignificant towards purchase intention. The findings are primarily beneficial for the marketers of halal products by offering an insight into the intention of consumers to purchase products that had previously been retracted off their Halal certification.

Keywords:
Purchase intention
Halal recertification
Retracted Halal products

1. Introduction

Halal refers to the products (food and non-food) that are permitted and lawful for Muslim consumption. Globally, halal has become an important element possessed by products that are demanded by Muslim consumers (Putit, Muda, Mahmood, Taufek & Wahib, 2016; Putit & Johan, 2015; Wilson, 2014; Ahmad, Fazullah, Borham, & Hashim, 2011). Thus, to provide confidence to the halalness of the food consumed, halal certification is used to provide assurance to consumers (Khalek, 2014). The certification provides affirmation that regulations for food preparation and production are met, which ensure the safety and quality requirements according to Islamic law (Rahman, Ahmad, Mohamad & Ismail, 2011).

In Malaysia, halal certification is issued by the Department of Islamic Development Malaysia (JAKIM), an agency also known to be the leader of halal food benchmarking around the world (SME...
Annual Report 2006; 2007). However, over the last few years, Malaysian consumers had seen cases where halal certification of several products have been retracted by JAKIM due to various reasons such as detection of forbidden ingredients (i.e. DNA of porcine in additives), violation of halal slaughtering practices and serious hygiene offence (Berita Harian, 2006; Jabatan Kemajuan Islam Malaysia, 2014a; Utusan Online, 2010; Jabatan Kemajuan Islam Malaysia, 2015b). As marketers, retraction of halal certificates deeply affected their reputation and eventually sales, especially in a dominant Muslim country like Malaysia. Companies involved suffered negative affect on their reputation as a result of consumers’ suspicion (Kamaruddin, 2015), such as the case of Cadbury Dairy Milk Chocolate products in 2014 that caused an uproar when one of its chocolate was detected to have porcine DNA. Due to this commotion, many customers were doubtful, hence banned and boycotted the products (Kamal, 2014), even after the halal certification has been reinstated.

Looking at the dearth of research focusing on previously retracted and recertified halal products, this study intends to investigate the factors that influence Muslim consumers to purchase such products. What makes Muslim consumers continue to buy these halal products even though they have retraction on their track record? Retraction cases will continue to happen in the future, hence this study will benefit marketers by recommending appropriate marketing strategies to counteract the negative situation.

The definition of previously retracted and recertified halal products in this study is the products of which their halal certification were retracted and then reissued by JAKIM after investigation. Within the period of investigation, the products may still be produced and marketed without the halal logo (without halal certification), which is accepted within the Malaysian law because halal is an optional certification. This definition is different from few previous researches which investigated products that have been recalled, which is a process that removes the products from the market because they do not follow the legislative requirement (Kalentunc & Ozadali, 1999, Zurina et al., 2014).

2. Literature review and hypothesis development

This study adopted the Theory of Reasoned Action (TRA) which is a well recognized theory in human behavior research. Intention was determined as a person’s or consumer’s location on a subjective probability involving a relation between the action and himself (Ajzen & Fishbein, 1975), while purchase intention is defined as the likelihood that a person buys a particular service or product (Dodd & Supa, 2011; Sam & Tahir, 2009).

TRA consists of two antecedents which are attitude and subjective norms. Attitude is the degree to which a person has a favorable or unfavorable evaluation of the behavior in question (Ajzen & Fishbein, 1980). Subjective norms deals with the the social pressures consumers are subjected to in performing the intended behavior (Cheng, Yeh & Tu, 2008). In addition, this study included another two antecedents which are brand image and halal knowledge. It is argued that due to the impact of retraction, consumers of these halal products would take into consideration the products’ brand image and their own halal knowledge in their purchase intention after the products’ recertification.

2.1 The relationship between attitude and purchase intention

According to Ajzen (1991), attitude is a person’s positive or negative evaluation of performing a specific behavior. Based on the studies by Tarkiainen and Sundqvist (2005) and Mukhtar and Butt (2012), findings showed a strong positive influence of individual attitude on the purchase intention of food products. Furthermore, a study by Ahmad, Abd Rahman and Rahman (2015) discovered a positive relationship between consumers’ attitudes and their intention to buy both halal foods and cosmetics. These findings are also supported by studies conducted by Lada, Tanakinjal and Amin (2009) and Bonne,
Vermeir and Verbeke (2007) which also found similar relationships, which is a positive relationship between attitude and consumer purchase intention of halal food products.

Based on the findings above, it is argued that in the context of previously retracted and recertified halal products, consumers’ attitude of these products will most probably influence their purchase intention. This is because even though a product has a history of being retracted and recertified, if the consumers’ attitude are still positive about it, they will still have the intention to purchase it, and vice versa. Based on this argument, the following hypothesis is proposed:

\[ H_1: \text{There is a significant relationship between the attitude and purchase intention of previously retracted and recertified halal products among Muslim consumers in Malaysia} \]

2.2 Relationship between subjective norms and purchase intention

Subjective norms is the perceived social pressure that can influence and affect consumers’ decision to purchase halal food (Alam & Sayuti, 2011). Kamariah and Muslim (2007) found that subjective norms has a positive significant relationship with purchase intention. Furthermore, the study by Lada et al., (2009) found subjective norms to be the most influential factor in the purchase intention of halal food products. The same were found by Mukhtar and Butt (2012), Chang (1998) as well as Tarkiainen and Sundqvist (2005) where subjective norms is the strongest of all the predictors in intention to purchase halal food.

It is argued that for halal products with a history of halal certificate retraction, other people’s opinion would highly influence consumers’ intention to purchase them again after recertification, especially when the information comes from trusted circle of people such as close friends and family members. As such, it is hypothesized that:

\[ H_2: \text{There is a significant relationship between subjective norms and purchase intention of previously retracted and recertified halal products among Muslim consumers} \]

2.3 Relationship between brand image and purchase intention

Brand image is often defined as an understanding regarding a brand as reflected by the brand associations held in consumers’ thought (Keller, 2001); it also shows that a person and consumers have a certain brand belief to the product (Kotler, 2000). Brand image could enhance purchase intention where findings by Chien-Hsiung (2013) showed that consumers would purchase catering service which has a favourable brand image. Hanzaece and Ramezani (2011) in their study also revealed that brand image and purchase intention have a significant positive relationship with each other in the context of the counterfeit products. This finding was further supported by Lin and Lin (2007) and Fianto, Hadiwidjojo, Aisjah and Solimun (2014).

It is argued that brand image of halal products which were previously retracted off its halal certification play a role in influencing consumers’ intention to purchase. This is because when the product has a good reputation and is associated with quality, consumers would be more confident to consider repurchasing them after recertification, regardless of its history of being retracted. Thus, the study proposes that:

\[ H_3: \text{There is a significant relationship between brand image and purchase intention of previously retracted and recertified halal products among Muslim consumers} \]
2.4 Relationship between halal knowledge and purchase intention

In this study, halal knowledge refers to the consumer’s knowledge about the procedure of halal certification process. The knowledge is specific to the process and procedure of halal certification that is experienced by the manufacturers and conducted by Department of Islamic Development Malaysia (JAKIM). Previous studies have concluded that greater awareness and knowledge of organic foods have positive influences on attitudes to organic foods and levels of consumption (Padel & Foster, 2005; Scotia et al., 2006; Gracia & De Magistris, 2007; Stobbelaar et al., 2007). Shaari and Arifin (2010) also found that knowledge is the key ingredient that influences halal food product purchase intention. Furthermore, Aziz and Chok (2013) also found that knowledge about halal food positively relates to purchase intention for non-Muslim consumers.

It is argued that when consumers’ knowledge about the halal certification process is higher, their purchase intention would also be higher. This is because by understanding the policy, procedure, and processes that manufacturers go through with JAKIM in certification, consumers will be more confident of the recertification of the halal status awarded to the product. Hence, this will increase the likelihood of them to conduct future purchases of previously retracted halal certified products. Thus, the following hypothesis is proposed:

H4: There is a significant relationship between halal knowledge and purchase intention of previously retracted and recertified halal products among Muslim consumers

The proposed conceptual framework of this study is presented as in Figure 1 below.

![Conceptual Framework](image-url)

Fig. 1. Conceptual framework

3. Methodology

This study used self-administered questionnaires which were distributed to Muslim consumers in Selangor, Perak, Negeri Sembilan and Kelantan, aged 18 to 60 years old. Cluster sampling was used by distributing 55 questionnaires in each state, followed by purposive sampling to identify the respondents who had the experience purchasing retracted and recertified Halal certified products before. Several brand names of products were given as examples for respondents to easily relate to the survey. A total of 220 questionnaires were administered and collected, however only 200 questionnaires were used for further
analysis because the remaining 20 contained missing values and/or did not meet the criteria of being a respondent for this study.

The survey questionnaire consisted of three parts. Part 1 consisted of three questions about the respondent's experience and knowledge about purchasing the products. While in Part 2, a total of 23 questions pertaining to the identified variables divided into five sections which are Section A: Attitude, Section B: Subjective Norms, Section C: Brand Image, Section D: Halal Knowledge and Section E: Purchase Intention. The questionnaire adapted measures and scales from established sources that have previously been tested for reliability and validity. The questionnaire was adapted and developed from the previous studies by Huang, Lee and Ho (2004), Paul, Modi and Patel (2016), Abosag and Farah (2014), Ahmad et al., (2015) and Pool and Najafabadi (2015). All statements were measured on a 5-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). The final section, Part 3, sought the respondents’ demographic details such as age, marital status, education level and monthly income.

4. Results and findings

Out of 200 respondents of this study, 131 of them are female respondents (65.5%). Majority of the respondents are from the age of 23 to 40 years old, with a total of 131 respondents (65.5%). The majority of the respondents are single (51%) followed by married respondents (47.5%). Most of the respondents are degree holders which consists of 131 respondents (65.5%). 74 respondents’ (37%) income is RM2001 to RM4000, followed by 68 respondents (34%) that are earning RM2000 and below. The reliability analysis revealed acceptable Cronbach’s Alpha results for Attitude (0.627), Subjective Norms (0.922), Brand Image (0.869), Halal Knowledge (0.797) and Purchase Intention (0.96).

The multiple regression analysis results in Table 1 showed a significant model with the value of F-test of 60.030. Results indicated that the adjusted R² is 54.3% which means that 54.3% of the dependent variable (purchase intention of previously retracted and recertified Halal products among Muslim consumers) can be explained by Attitude, Subjective Norms, Brand Image and Halal Knowledge. Results in Table 1 also illustrated significant results for attitude, subjective norms and brand image (p<0.05). This means that H1, H2 and H3 are accepted, which support that there are significant relationships between attitude, subjective norms and brand image with the purchase intention of previously retracted and recertified halal products. Brand image emerged as the most important factor in this model to predict the purchase intention of consumers with β= 0.426. However, H4 was rejected, which shows that there is no relationship between halal knowledge and purchase intention of the said products.

Table 1. Multiple regression analysis

<table>
<thead>
<tr>
<th>Variables</th>
<th>Unstandardized Coefficients</th>
<th>Standard Error</th>
<th>Standardized Coefficients (β)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude</td>
<td>.384</td>
<td>.094</td>
<td>.289*</td>
</tr>
<tr>
<td>Subjective norms</td>
<td>.145</td>
<td>.067</td>
<td>.140*</td>
</tr>
<tr>
<td>Brand image</td>
<td>.537</td>
<td>.076</td>
<td>.426*</td>
</tr>
<tr>
<td>Halal knowledge</td>
<td>.124</td>
<td>.075</td>
<td>.081</td>
</tr>
<tr>
<td>R²</td>
<td>.552</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>.543</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F</td>
<td>60.030*</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: *p<0.05
5. Discussion, implications and conclusion

A significant relationship between attitude and purchase intention of previously retracted and recertified Halal products among Muslim consumers is consistent with that of Lada et al., (2009) as well as Mukhtar and Butt (2012) who found a positive relationship between attitude and consumer purchase intention of Halal food products in Malaysia. This is also supported by the study by Ahmad et al., (2015) which indicated Muslim consumers’ attitude and intention towards Halal food products is higher than Halal cosmetic products. The results imply that for previously retracted and recertified Halal products, attitude plays an important role for people to have the intention to purchase them. Due to the retraction issue, if the attitude of consumers towards these products is still positive, they are more likely to purchase them, however if their attitude has changed negatively due to the retraction incident, they are more likely to avoid purchasing them. Marketers of these products need to arrange for integrated communication strategies to change the negative attitude that consumers might have on their products to increase intention to purchase. For example, advertisements can be used to provide specific information about its halalness, or appeal to emotions of consumers which might be able to change the attitude of consumers.

Subjective norms was also a significant factor predicting purchase intention of previously retracted and recertified Halal products. This was supported by previous studies that revealed subjective norms to be the most influential predictor of halal products purchase intention (Tarkiainen & Sundqvist, 2005; Chang, 1998; Kamariah & Muslim, 2007). Previously retracted halal products suffer from a lot of speculations from the public, and a lot of information (true or false information) will spread around, especially with the availability of social media platforms. Hence, results indicated that before intending to buy these products, consumers do seek information and opinions from their friends, family members and other social contacts. Thus, marketers of previously retracted and recertified halal products must ensure that correct information is always available on their communications channels. This is important not only during the retraction-recertification period, but also during post retraction-recertification period, so that it can further enhance the confidence of consumers gradually and consistently.

Brand image was found to be a significant and the best predictor in this model of purchase intention of previously retracted and recertified Halal products. Literature review showed that in different contexts, studies have found that brand image has significant relationships with purchase intention (Hanzae & Ramezani, 2011; Lin & Lin, 2007; Fianto et al., 2014). In the context of previously retracted and recertified halal products, brand image might play a large role because the impact of a product being retracted off its halal certification is very large, and very serious from the perspective of halal-observant Muslims. Hence, findings showed that Muslim consumers are more willing to purchase these products even after its recertification when their brand image are strong, and might not when their brand image are weak. This indicates that companies with stronger brand image would be more likely to survive the retraction-recertification ordeal than less stronger brands. Thus, marketers are recommended to ensure that continuous efforts are ongoing to enhance their brand image such as in terms of trustworthiness, reliability, durability and performance.

Lastly, halal knowledge was found to have no significant relationship with the purchase intention of previously retracted and recertified Halal products among Muslim consumers. This finding contradicts with previous studies by Shaari and Arifin (2010) as well as Aziz and Chok (2013) who found that knowledge regarding halal food significantly influence purchase intention of halal products. However, halal knowledge in this study refers to the knowledge that is specific to the process and procedure of Halal certification that is experienced by the manufacturers and conducted by Department of Islamic Development Malaysia (JAKIM). End consumers might not have access to this particular knowledge, however, even if they do, this knowledge does not seem to have any impact on their intention to purchase these products.
In conclusion, this study proved that TRA factors (attitude and subjective norms) are still relevant in the context of purchasing halal products that were once retracted off its certificate due to some reasons. Retraction of halal certificates can be detrimental especially for products that have strong brand equity and are established in the market. Hence, the study confirms that brand image also play a role in influencing consumers to buy these products after they have been recertified. Hence, the overall findings of the study is important for marketers of halal products in Malaysia and other countries, whereby in the event this happens to their products, marketers will still be able to influence their consumers to continue buying their products by enhancing marketing efforts to change and leverage these three factors: attitude, subjective norms and brand image.

References


