CHAPTER II

LITERATURE REVIEW

2.1. Introduction

In Muslim religion, Halal is a common thing for them. This Halal term is already taught by the parent since they were young. Which food they should not consume and which food they should consume. However, nowadays, the globalization changes some people's perspective. How they see the world is totally different right now. The lifestyle of people can be changed because of this globalization. However, we as a non-Muslim also need to understand the behavior of the Muslim itself, because in this country most of the citizen is Muslim. They are a big target market in Indonesia and also a majority citizen. Some of the company can be bankrupt if do not understand well their behavior. It had happened in 1988 when most of Muslim stop to consume product from certain company. So, by doing this research about their devoutness, awareness and lifestyle towards their confidence in choosing the restaurant can give us more knowledge about Muslim behavior nowadays. Therefore, this chapter discussed the role of a religion especially Muslim religion, followed by what is Halal and also some definition about the independent variables such as devoutness, awareness, and lifestyle and confidence level. In the final part of this chapter, the hypothesis development was discussed.

2.2. Muslim

Muslim is a code of conduct, a way of life and an explanation of existence as defined by God (swt). This is elucidated and preserved within the Qur'an, and the documented sayings and practices of the prophets from Adam to Muhammad(saw). For something to be Muslimic, it must be attributable to that which is considered praiseworthy and pure. A Muslim is one who submits to will of God in belief and actions (Wilson, 2011)

2.3. Halal

What is Halal? Halal ('permissible') the object that is permissible according to <u>Islamic law</u>. The term covers and designates not only food and drink but also all matters of daily life. It is stated that Halal is an Arabic word meaning lawful or permitted. It is the standard of conduct for prescribed in the Qur'an (scripture). The opposite of halal is haram, meaning unlawful or prohibited. Halal and haram apply to all facets of life. They are commonly used to describe cosmetics, pharmaceuticals, food products, ingredients and food preparation materials. Alcohol is prohibited, as is any pork produce. Halal meat is meat that has been slaughtered according to practice.

Furthermore, Halal does not only concern about food alone. For products or services to be deemed Halal, they must follow the Muslim principles that state that the product or service:

- Does not contain any non-Halal parts or products of Haram animals or products or animals that are not slaughtered in the name of Allah
- 2. Does not contain any ingredients that are considered *najis* (unclean);
- 3. It is safe and not harmful;
- 4. It is not prepared, processed or manufactured using tools or equipment contaminated.
- 5. It has ingredients or by-products that do not contain any human part; and
- 6. During the process of manufacturing, preparation, packaging, storage or distribution, product must be physically separated from Haram products. (Talib and Hamid, 2014).

2.4. Devoutness

Many has suggested on the important of religion in influencing consumers' attitude and behavior (Shaari and Ariffin, 2010; Pettinger et al., 2004). Religion has also been linked to food purchasing decisions and eating habits (Blackwell et al., 2001). In many societies, religion is in fact one of the most influential roles in food choice (Dindyal, 2003; Essoo & Dibb, 2004). Soesilowati (2011) found that degree of concern in consuming halal food is positively correlated to respondents' religiosity.

Shaari, Ahmad Nordin, & Abdul Malek (2013) measures devoutness for in the scope of the 'strictness' and/or the 'faithfulness' of a person in following teaching when it comes to choosing food. Shaari, Khalique & Rashid Manan (2013) further tested this measurement and found that devoutness does influence consumer confidence in choosing Halal restaurant in Kuching. Replicating the test in the case of Yogyakarta, it is hypothesized that devoutness will influence (Shaari et al, 2013)

2.5. Awareness

Halal means activities allowed or permissible by while Haram are those prohibited (Berry, 2000; Eliasi & Dwyer, 2002). As Halal covers many parts of life, it is important for consumers to understand the concept of 'Halalan Thoiyyiban' where halal is not only permissible but also wholesome, which Mariam (2008) has found to be still lacking in the awareness and understanding. It is hypothesized that if respondents are aware of these initiatives, coupled with their understanding on the benefits of principle of halal; and provided that the visited restaurant has what it takes to be a 'halal restaurant', they will be more confident to choose that particular restaurant. (Shaari et al,2013).

2.6. Lifestyle

Halal, for its promised benefit not only could be described as a standard but also a lifestyle; particularly, though not limited to dominated country such as

Indonesia, but also for non-society.. In other words, this suggests that it is a lifestyle to select a halal restaurant. (Shaari et al,2013).

2.7. Confidence Level

The researchers hypothesized that the consumer confidence level could be influenced by the independent variables provided that the respondents are devoted to follow teaching in selecting their food and places to dine; are aware of the issue regarding halal principle and the benefits and efforts by the Indonesian government; and living the lifestyle that would not compromise Halal criterions. The confidence level is measured by the respondents' agreement to statements such as whether seeing halal logo will cause them to be comfortable, at ease, and/or confidence enough to choose that particular restaurant; to dine there; to purchase for friends and to recommend it to others. (Shaari et al,2013)

2.8. Previous Research

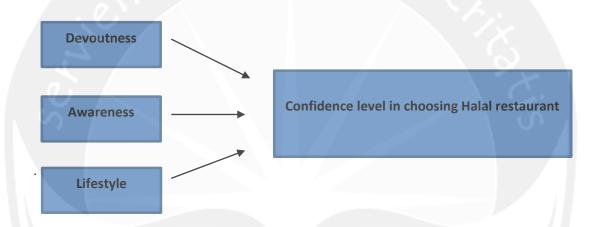
In the previous research, it is not in Indonesia but in Malaysia. The researcher get the conclusion in Malaysia, Kuching that there are basically two issues here. First, Shaari, Khalique & Rashid Manan (2013) found that for Muslim consumer in Kuching, their confidence level in selecting halal restaurant was highly influenced by Devoutness relative to Awareness and Lifestyle. It is possible to say that as the consumer in Kuching are 'aware' of the halal issues, but has been a part of the culture living in a particular type of 'lifestyle of not so strict', Devoutness would play

stronger role in motivating or influencing their confidence level. The same reasoning is applicable in the case of consumer in Penang. Consumers do aware of the Halal issues - concepts and benefits; and they do have the faith and are strict in selecting halal restaurant; however, in term of lifestyle, their agreement are relatively higher than consumers in Kuching, suggesting that they are expecting a much stricter kind of halal restaurant.

Second, it is common lifestyle of consumers in Penang to have different races and religion eating at a Muslim operated restaurant, be it halal certified or not. From researchers' observation, this is mostly true for Indian-Muslim restaurants, famously known as "Mamak restaurant" to be patronized by many races. Some of these types of restaurants in Penang resolved to displaying Quranic verses; hiring Muslim workers, or Muslim-looks workers whom are asked to resemble 'Muslim identity' in order to attract consumers. Looking at the mean analyses results, respondents in general were strongly agree to each statements except for two which are the ability to differentiate genuine and fake certificate and the awareness that some restaurant do display fake certificate and only Lifestyle that significantly affect confidence, it could be concluded and in support to the researchers observation that these visited restaurants are in fact not halal certified and do not have the criterion as expected by the consumers to be a halal restaurant.

Hence, these suggest an opportunity for future research to further investigate on these issues of unethical business strategy to avoid restaurateur of manipulating consumers' perception derived from their lifestyle. (Shaari et al,2013)

2.9. Research Model



Adaptation from Shaari et al, 2013

In the Research Model, these 3 variables (devoutness, awareness and lifestyle) will be tested to see whether there is a significant impact to the confidence level in Choosing halal restaurant or not.

2.10. Hypothesis Development

So by the literature review, there are 3 hypotheses in this research:

H1 : Devoutness influence muslim confidence level in choosing halal restaurant

H2 : Awareness influence muslim confidence level in choosing halal restaurant

H3 : Lifestyle influence muslim confidence level in choosing halal restaurant.

But than, this hypothesis still can be developed since in the previous study did not clasified the Muslim such as their gender, their income and their living place. Therefore, in this study, the researcher is going to develop and clasified the Muslim so the result will be more detailed and we can see the Confidence level of Muslim in different way.

- H4 : The confidence level in choosing restaurant is different based on the university status.
- H5 : The confidence level in choosing restaurant is different based on the gender.
- H6 : The confidence level in choosing restaurant is different based on the income.
- H7 : The confidence level in choosing restaurant is different based on the living place.