

CHAPTER 1

INTRODUCTION

1.1 Research Background

Indonesia is a country made up of many islands, with a population of around 270 million people. According to Syamsiyah et al. (2022), the majority of the population, which covers about 87.2%, is Muslim. Christians comprise the second largest religious group at 6.9%, followed by Catholics at 2.9%, Hindus at 1.7%, Buddhists at 0.7%, and Confucianists at 0.05% (Portal Informasi Indonesia, 2024). Regardless of the variety of races and beliefs, every individual contributes to the progress of Indonesia, including the advancement of the halal food business.

Indonesia is currently the largest consumer of halal food worldwide and is projected to account for \$281.6 billion of global halal consumption by 2025 (Yana, 2023). Global halal consumption is estimated to reach around \$1.6 trillion by that time (Statista, 2024). Based on the preceding data, Indonesia is projected to consume approximately 372.20 kilograms in 2024 (Statista Market Insights, 2024). Based on the same source, the global average per capita consumption is approximately 340.10kg. Indonesian individuals are projected to consume more than the worldwide average, raising public health worries. In Indonesia, the concept of nutritious food is strongly influenced by cultural and religious beliefs, as Indonesians are recognised for religious devotion, particularly concerning halal cuisine.

Indonesia's food and beverage plan is categorised into halal and haram. Halal pertains to activities or things deemed permissible or allowed per Islamic law, whereas

haram pertains to actions or things deemed forbidden or prohibited (Halimi et al., 2022; Vizano et al., 2021). In the context of food and beverage, Halal food refers to food considered pure and wholesome. It is characterised by the absence of forbidden (haram) elements, such as pork, blood, carrion, dead animals, predatory animals, birds, or amphibious animals (Al-Teinaz, 2020). Halal food is a crucial component of the Indonesian diet because the country has a primarily Muslim population and observes Islamic dietary requirements. Consequently, the Indonesian government has undertaken a specific measure by issuing a halal certification and logo (Zin et al., 2021) to guarantee that all food establishments in the country sell strictly halal dishes.

Halal certification ensures that food complies with religious regulations and represents a level of cleanliness, ethical sourcing, and processing commonly linked to general healthiness, particularly Hazard Analysis Critical Control Points (HACCP) and Good Manufacturing Practices (GMP), according to Abdallah et al. (2021). In Indonesian society, the merging of health and religious devotion is of utmost importance, as the inclusion of halal certification could enhance the perceived health benefits of a product. Indonesians employ a comprehensive framework to evaluate and embrace dietary choices, considering nutritional value and adherence to religious guidelines. This demonstrates a comprehensive approach to preserving both physical fitness and spiritual wellness. The confluence of these elements underscores the significance of food makers and health advocates considering both nutritional content and religious compatibility when promoting healthy eating habits.

The Indonesian Council of Ulama (Majelis Ulama Indonesia, MUI) is Indonesia's primary governing body responsible for halal certifications (Abdallah et al., 2021). Since its establishment in 1975, MUI has developed comprehensive criteria and created a certification process to ensure that food goods comply with halal requirements (Majelis Ulama Indonesia, 2024). The halal certification procedure is crucial for complying with religious mandates, fostering customer confidence, and improving marketability in Indonesia and worldwide (Khan et al., 2021; Sucofindo, 2023).

As of 2019, The Indonesian Council of Ulama is no longer responsible for issuing halal certification under regulations signed by Susilo Bambang Yudhoyono, Indonesia's President, in 2017 (BPJPH, 2022). It has been overridden Badan Penyelenggara Jaminan Produk Halal (BPJHP). However, The Indonesian Council of Ulama is helping BPJHP process the halal certification. The regulating and certification role of MUI regarding halal food underscores the merging of religious observance and food safety, underscoring the need to maintain both spiritual and physical well-being in Indonesian society. Moreover, according to Billah et al. (2020), research has demonstrated that consumers not of the Muslim faith react favourably to products that have obtained halal certification.

Although Christians and Catholics are minority groups, the people have developed intricate comprehension and adaptations to the predominantly halal dietary practices that are integral to the cultural identity of the nation. This research investigates the tactics utilised by Indonesian Christians and Catholics to regulate

dietary habits, uphold religious affiliations, and engage with a culture that highly prioritises the consumption of halal food. Despite not adhering to halal standards for religious reasons, non-Muslim groups pragmatically embrace halal food, especially in public and communal spaces (Ramli et al., 2023). A substantial proportion of Christians and Catholics hold a positive view of halal cuisine, recognising it as a guarantee of hygiene and quality. The government's stringent halal certification procedures, which ensure compliance with food safety and sanitation standards, frequently support this perspective, providing benefits to all consumers irrespective of religious affiliations. Furthermore, several individuals adopt a syncretic approach, integrating halal customs into dietary habits to mitigate social conflict and foster communal integration.

As a predominantly Muslim country, Indonesia's food industry, particularly its certification and consumption patterns, is deeply influenced by Islamic principles, most notably the concept of halal. While these regulations primarily cater to the Muslim majority, it is essential to understand how non-Muslim communities, specifically Christians and Catholics, navigate a food environment where halal certification dominates. The inclusion of these religious minorities allows for an examination of the extent to which cultural integration occurs through dietary practices, as well as the potential influences of inter-religious dynamics on consumer behaviour.

Moreover, Indonesian Christians and Catholics, despite being religious minorities, comprise significant and well-established communities that actively participate in the country's social and economic systems. The experiences people have with halal food offer insights into how religious minorities adapt to the majority

culture's practices without compromising one's own religious identities. Therefore, investigating the two religion parties' interactions with halal food contributes to broader discourses on cultural coexistence, market behaviour, and the role of religious practices in shaping consumer habits within pluralistic societies. Consequently, this study comprehensively explains how diverse religious groups in Indonesia interact with a food system primarily defined by Islamic principles.

The interplay between Indonesia's predominantly Muslim culture and its Christian and Catholic minorities concerning halal eating habits is characterised by a combination of adjustment and safeguarding. Christians and Catholics in Indonesia largely tolerate the availability of halal cuisine in public spaces, but the people adhere to dietary choices and religious rituals within the groups. This anecdote exemplifies a larger story of coexisting together amidst variety, where honouring the customs of the majority does not require the gradual elimination of minority identities. Instead, it emphasises a robust flexibility that enables diverse religious and cultural manifestations to thrive within a standard national structure.

Notably, Christianity ranks as the second most dominant population when compared to three other religions in the context of this research. Moreover, the current trend indicates that the concept of halal food transcends purely religious dimensions. Given that consuming halal food is obligatory for the Muslim community, including them as respondents would not provide meaningful insights for this study. Instead, the focus lies on understanding how halal food influences non-Muslim consumers, which is a critical aspect of this research.

It is essential to emphasize that halal certification is increasingly viewed not solely as a religious concern but also as a matter of health and quality assurance. Therefore, this study aims to examine whether halal certification has a significant impact on the consumption behavior of non-Muslim individuals.

Research conducted on non-Muslim Indonesians, explicitly examining preferences for halal food and cosmetics, revealed that various factors influenced the people's choices in these categories. These factors include the individual's level of knowledge about halal, the credibility of halal logos, perception of the quality of halal products, religious motivations, awareness of halal, and the reputation of halal brands (Arifin et al., 2021; Septiarini et al., 2023). The variables to be examined in this research have yet to be assessed for impact on the intention of non-Muslims in Indonesia to purchase halal food products, indicating a dearth of research in this particular domain. Therefore, the primary objective of this research is to address this research gap by investigating the relationships between halal knowledge, attitude, subjective norms, and perceived behavioural control in influencing the intention to buy halal food products among non-Muslim consumers in Indonesia. This research intends to provide a more profound knowledge of the factors that affect the purchasing intention of halal food products among non-Muslim consumers in Indonesia, specifically Christians and Catholics, due to the lack of extensive research in this area.

1.2 Research Questions

1. Does halal food knowledge directly affect purchase intention?

2. Does halal food knowledge affect attitude, subjective norms, and perceived behavioural control?
3. Does attitude affect purchase intention?
4. Do subjective norms affect purchase intention?
5. Does perceived behavioural control affect purchase intention?
6. Do attitude, subjective norms, and perceived behavioural control mediate the relationship between halal food knowledge and purchase intention?

1.3 Purposes of the Research

1. This research investigates the direct relationship between halal food knowledge towards purchase intention.
2. This research assesses the direct relationship between halal food knowledge towards attitude, subjective norms, and perceived behavioural control.
3. This research delves into the relationships between attitude, subjective norms, and perceived behavioural control, the moderating variables between halal food knowledge and purchase intention, which is the dependent variable.
4. This research inspects the direct relationship between each mediating variable towards purchase intention as the dependent variable.

1.4 Benefits of the Research

This research highlights the theoretical advancements in halal food and its various aspects, such as knowledge related to animal slaughter and the religious beliefs of Islam, Christianity, and Catholicism. It also acknowledges the resilience of Christian

and Catholic citizens in Indonesia, who maintain the individual's beliefs despite being a minority in a predominantly Muslim country.

1.5 Research Structure

The report consists of five chapters, namely:

- **CHAPTER I: Introduction**

This chapter provides an overview of the research background, questions, aims, and benefits, followed by an outline of the research structures.

- **CHAPTER II: Literature Review**

The literature review comprises detailed explanations of the theoretical foundations of each variable employed in the research, elucidating the establishment of research hypotheses and illustrating the interconnections and utilisation of the variables in constructing the research.

- **CHAPTER III: Research Method**

The research method provides detailed information on the research's participants and the questions used for measurement.

- **CHAPTER IV: Data Analysis**

The data analysis chapter dissects the validity, reliability, and regression test results, as well as the analysis and argument, based on the findings of renowned researchers who employed SmartPLS as the data analysis software.

- **CHAPTER V: Research Conclusion**

The research conclusion clearly explains the practical consequences for managers, the research's constraints, and recommendations for further research.

