



The Effect of Online Reviews and Halal Labeling on Consumer Purchasing Behavior on Halal Products on the E-commerce Platform

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Abstract. As a Muslim, consuming halal products is not an option but an obligation. As explained in the Qur'an, a Muslim is obliged to consume things that are Halal and not to consume things that are Haram. In recent years, the halal industry has increased globally, including halal cosmetics. In the digital era, consumers tend to shop online. In Indonesia, a lot of people use E-commerce Platforms to spend their needs. Some E-commerce platforms that are often visited are Shopee and Tiktoshop. Halal cosmetics have begun to be marketed on Shopee and Tiktoshop. In both E-commerce Platforms, they have provided an online review feature where consumers can provide and rate the products purchased as information related to these products and make it easier for other consumers to decide on product purchases. Even though online reviews provide convenience and a lot of information related to cosmetic products, empirical evidence is still needed that online reviews are effective in influencing consumer purchasing decisions. Therefore, it is necessary to conduct empirical research to examine the effect of online reviews and halal labeling in influencing purchasing decisions.

Keywords: Online review, Halal labeling, E-commerce platform.

1 Introduction

In today's digital era, technology has become a daily companion for humans to communicate, explore information, and express themselves. Currently, there are many shopping platforms that make it easy to buy goods starting from Shopee, and TikTok shops. As information technology advances rapidly, there are drastic changes in behavior. Online purchasing behavior is the process of buying products or services through internet media [1]. Online purchases are different from direct purchases. The advantage of online purchasing is that consumers can easily search for the goods or services they need. With the increase in online shopping activities, which signifies a shift from buying and selling transactions that were previously done in person to online through e-commerce platforms. This is because the use of mobile device users continues to increase every year, allowing many people to access online shopping

platforms. E-commerce users in Indonesia have experienced significant growth in recent years, and are expected to continue to increase in the coming years (5). Judging from the data presented by Statistic, from 2017 to 2023, the number of e-commerce users in Indonesia reached 139 million people, an increase of 10.8% from the previous year to 154.1 million users. 4 Projections for this year show that the number of e-commerce users will reach 168.3 million people, and with more optimistic predictions, it is expected to reach 212.2 million users by 2023. Online shopping is part of e-commerce which refers to business activities utilizing communication technology such as the internet as the medium (1). The number of people who choose to transact using an e-commerce platform cannot be separated from the convenience that has been provided. With the feature of 5 reviews or reviews from previous buyers, then there are promotional features in the form of videos in it and online reviews found on social media, this makes it easier for consumers to recognize a product before buying a product. Then if you look at Indonesia, where the majority of people are Muslims and in Islam it has been determined that consuming goods must pay attention to the halal aspect, then many companies register their products with MUI in order to obtain halal certification. This halal labeling is then an important thing in making decisions before buying a product.

The problem-solving approach in this study uses a correlational and comparative approach by adhering to descriptive quantitative research. According to Ali Muhtarom, comparative analysis is a comparison between one object and another in Islam. Comparative analysis refers to a study conducted on two or more specific objects that have similar factors. One of the similarity factors is closely related to the similarities or differences between explicit and implicit objects. Meanwhile, according to Arikunto (2010: 247-248), correlational research or (Correlational Studies) is research intended to find and identify the relationship between two or more variables. And according to Aswarni, comparative research is a systematic investigation in which a researcher controls independent variables directly because the existence of the variable has occurred or because the variable cannot be manipulated. A feature of correlational research is research that does not demand the requirements of many research subjects. The correlational approach method is a stage to measure or examine 2 variables, understand and the relationship between the use of online reviews and halal labeling with consumer purchasing behavior on halal products on e-commerce platforms. While the comparative approach is a comparison to compare one or more variables in two or more different samples. The influence of online reviews is an opinion expressed by consumers on e-commerce platforms about products they have purchased. The Halal label is a sign that the product is guaranteed to be Halal, both in terms of ingredients and the packaging process, so that is easy for the Muslim community to find out.

Research related to Online Review and Halal Licensing that has been conducted by several researchers, including

Table 1. Review of Online Reviews and Halal Labeling on Consumer Purchasing Behavior

Book Title	Review
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The Influence of Online consumer Review Influencer Tiktok and Halal Label on Purchase Intention (2022)	This research discusses positively and significantly on the purchase intention of beauty products. This implements that reviews from influencers as consumers affect other consumers' buying interest. Then, the halal label variable has a positive and significant effect on buying interest in beauty products. This shows that the halal label has an effect on determining the purchase of beauty products. So, the online consumer review variable by Tiktok influencers and the halal label simultaneously have a positive and significant influence on buying interest in beauty products.
The Effect of Viral marketing and Halal Labeling on Consumer Trust and Purchasing Decisions on the shopee marketplace in Banda Aceh (2022).	This study discusses consumer trust fully mediating Viral Marketing and Purchasing Decisions at the Shopee marketplace in Banda Aceh.
The Influence of Promotion, Trust and Online Customer Reviews on Purchasing Decisions for Halal Products Using the Shopee Marketplace for Muslim Students in Malang City (2023)	The results of this study discuss several links including: Promotion variables affect the decision to purchase halal products using the shopee marketplace for Muslim students in Malang City. This is shown from the t test results. The trust variable affects the decision to purchase halal products using the shopee marketplace for Muslim students in Malang City. This is shown from the t test results. The online customer review variable has no effect on purchasing decisions for halal products using the shopee marketplace for Muslim students in Malang City. This is shown from the t test results.
The Effect of Online Customer Review, Product Quality and Service Quality on Purchasing Decisions (2024)	This study discusses online customer reviews, product quality and service quality simultaneously have an influence on purchasing decisions. It can be stated that the better the online customer review, the better the product quality, and the better the service quality, the better the purchasing decision for Gacoan Noodles will be. Online customer review has a positive effect on purchasing decisions.

2 Method

This type of research uses descriptive quantitative methods to provide an overview of how often consumers use online reviews and halal labeling when buying halal products on e-commerce platforms and their purchasing behavior patterns. And

correlational studies are research intended to determine whether there is a relationship between two or more variables (1). To determine whether there is a relationship between the frequency of using online reviews and halal labeling with consumer purchasing behavior on halal cosmetic products on e-commerce platforms. The data collection technique uses the technique of distributing questionnaires online via google form. Then, data processing is taken from respondents' answers to each statement distributed. Each statement is measured using a Likert scale with a value range of 1 to 5.

Table 2. Likert Scale

Number	Explanation
1	Strongly disagree
2	Disagree
3	Neutral
4	Agree
5	Strongly agree

The population in this study are people who use e-commerce platforms in East Java such as Shopee and Tik Tok Shop. The research sample was selected based on the criteria, namely men and women, Muslims, with an age range of 17-22 years with 100 respondents where the data of 40,179,566 data was obtained from One Data of the Ministry of Religion of the Republic of Indonesia which is the number of participating Islamic populations where this number dominates e-commerce platform users.

Based on the large population and sample criteria that have been determined, the number of samples is sought using the Slovin formula. This slovin formula was chosen in determining the sample with the aim of not being too much in its depiction of the population. By using the slovin formula, the error rate of the slovin formula is 10% (3). The following Slovin formula has the function of knowing the sample size needed in this study:

$$n = \frac{N}{1 + N(e)^2} = \frac{40.179.5661}{401.796} = 100$$

Description:

n = Number of Samples N = Population

e = Error Tolerance Limit (10% or 0.1)

In the results of this calculation, it is known that the required sample is 99.99 then rounded up to 100 respondents

3 Discussion

3.1 Validity and Reliability Test

Table 3. Cronbach's Alpha

Variable	Item	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Halal Labeling	HL1	.302	.940
	HL2	.370	.939
	HL3	.697	.935
	HL4	.717	.934
	HL5	.726	.934
	HL6	.609	.936
	HL7	.690	.935
Online Review	OR 8	.686	.935
	OR9	.765	.934
	OR10	.794	.933
	OR11	.706	.935
	OR12	.584	.936
	OR13	.754	.934
	OR14	.743	.934
Purchasing Behavior	PB15	.383	.939
	PB16	.611	.936
	PB17	.606	.936
	PB18	.500	.938
	PB19	.581	.936
	PB20	.393	.939
	PB21	.670	.935
	PB22	.761	.933

Corrected item to total correlation is an internal consistency test conducted on statement indicators from questionnaire results. If there is an item that is declared valid if the calculated r value or the total correlation corrected item has a value greater than the standard r value of 0.25. Decision making based on the r-count value with the r-table value on the total corrected item correlation, the r-table for N= 22 at 5% significance is 0.939. From the results of the table, the r count of all indicators on the halal labeling variable, online reviews and purchasing behavior has a value greater than the minimum requirement, so that of all indicators, twenty-two indicators are concluded to be valid.

Calculation of the reliability of measurement items uses Cronbach's alpha. The function of the reliability test is used to determine the extent to which an item, scale, or statement instrument provides constant results if repeated calculations are carried out with the scale. If a Cronbach's alpha value > 0.70 then the variable is apprented (1).

3.2 Multicollinearity Test

Table 4. Correlation

Correlation				
		Purchasing Behavior	Halal Labeling	Online Review
Pearson Correlation	Purchasing Behavior	1.000	.676	.627
	Halal Labeling	.676	1.000	.500
	Online Review	.627	.500	1.000
Sig. (1-tailed)	Purchasing Behavior	.	.000	.000
	Halal Labeling	.000	.	.000
	Online Review	.000	.000	.
N	Purchasing Behavior	100	100	100
	Halal Labeling	100	100	100
	Online Review	100	100	100

The correlation table shows the results of the intercorrelation analysis between the independent variables marked by the Pearson correlation coefficient value, in this correlation output, the correlation result between the halal labeling variable and the online review is $r = 0.676$. Because the value of 0.676 is less than 0.8, multicollinearity symptoms are not detected. In the collinearity statistic, pay attention to the vif and

tolerance values. If the vif value is less than 10 and or the tolerance value is more than 0.01, it can be firmly concluded that there is NO MULTICOLINEARITY PROBLEM.

In the collinearity diagnostics table, the eigenvalue is $0.006 < 0.01$ and the collinearity diagnostics is 21.836, it can be said that there is NO PROBLEM.

3.3 Heteroscendasticity Test

Table 5. Correlations Table

Correlations					
		Halal Labeling	Online Review	Unstandardized Residual	
Spearmen's rho	Halal Labeling	Correlation Coefficient	1.000	.488	.043
		Sig. (2-tailed)	.	.000	.667
		N	100	100	100
	Online Review	Correlation Coefficient	.488	1.000	.002
		Sig. (2-tailed)	.000	.	.987
		N	100	100	100
	Unstandar dized Residual	Correlation Coefficient	.043	.002	1.000
		Sig. (2-tailed)	.667	.987	.
		N	100	100	100

Interpretation:

- Sig value (2 tailed) $X1 = 0.667 > 0.05$

- Sig value (2 tailed) $X2 = 0.987 > 0.05$

The conclusion is that there are no symptoms of heteroscedasticity because the significance value obtained is greater than 0.05 (statistical confidence level of 95% or 0.05).

3.4 Normality Test

Table 6. Normality Test

One-Sample Kolmogorov-Smirnov Test		
Unstandardized Residual		
N		100
Normal Parametersa	Mean	.00000

Interpretation of Results:

H0: The population is normally distributed

H1: The population is not normally distributed

The basis for decision making is based on probability:

If the probability value > 0.05 then H0 is accepted

If the probability value < 0.05 then H0 is rejected

Sig value. $0.110 > 0.05$ then, normally distributed

3.5 Multiple Linear Registrasion

Table 7. Model Summary Table

Model Summary				
Model	R	R Square	Adjusted R Square	Std.Error of the Estimate
1	.754	.569	.560	2.847

Table 8. Anova Table

Anovaa					
Model	Sum of Squares	Df	Mean Square	F	Sig
1 Regression	1039.155	2	519.578	64.081	.000

Residual	786.485	97	8.108		
Total	1825.640	99			

Table 9. Coefficient Table

Coefficients						
Unstandardized Coefficients				Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	3.742	2.782		1.345	.182
	Halal Labeling	.593	.094	.484	6.288	.000
	Online Review	.430	.086	.386	5.013	.000

R Square

From the results of the model feasibility test, it can be seen that the R2 value is 0.569 or 56.9%, which means that the variance in the buyer decision variable (Y) can be explained due to changes in the halal label index (X1) and online reviews (X2). The remaining 43.1% is influenced or explained by other X variables not included in this study.

F test

Obtained p value or sig.in the F test is 0.000 which means less than a (5% or 0.05) which means that H0 is rejected and H1 is accepted or there is a significant influence of the halal labeling variable and online review on the purchasing decision variable simultaneously or together.

T test

The p value or sig for variable X1 (halal labeling) is 0.000 which is smaller than a (5% or 0.05) which means that H0 is not accepted and H1 is accepted or there is a significant effect on the halal labeling variable on overall purchasing

decisions. The p value or sig. For variable X2 (Online reviews of 0.000 which is smaller than a (5% or 0.05) which means that H0 is not accepted and H1 is accepted or there is a significant effect on the halal labeling variable on overall purchasing decisions.

Regression equation, Purchasing decision = $3.742 + 0.593 \text{ Halal Labeling} + 0.430 \text{ Online Review} = 4.765$

4 Conclusion

Based on the results of the halal label test and online reviews on consumer purchasing behavior decisions on e-commerce platform products using valid and reliable tests, it is proven that the halal label and online reviews have a positive influence and have a big impact on consumer behavior. Based on the test results, the hypothesis that the variables of halal labeling and online reviews have a significant influence on consumer purchasing behavior can be accepted. Halal labeling is the provision of halal signs or written evidence as a guarantee of halal products with halal writing in Arabic letters, other letters and code numbers from the minister issued on the basis of halal inspection from an institution established by MUI, halal fatwa from MUI, halal certificate from MUI as a valid guarantee that the product in question is halal for consumption and use by the public in accordance with sharia provisions (1). Meanwhile, online reviews are reviews given by consumers after buying and using the product

(1). This research is in line with research conducted by (1) entitled Analysis of the Effect of Halal Labeling, Price, and Online Customer Review and Rating on Purchasing Decisions at Shopee with Consumer Purchase Interest as an Intervening Variable. The results of this study state that halal labeling has a positive and insignificant effect on purchasing decisions for shopee marketplace users. This shows that for some shopee consumers, halal labeling is not the main consideration before deciding to buy a product. In the decision-making process, consumers will consider much more important things such as the usefulness of the product, the suitability of the product for what they need, and so on. This research can help sellers on e-commerce platforms in identifying things that encourage consumers to buy products on e-commerce platforms by paying attention to halal labeling and online reviews.

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