

**THE EFFECT OF HALAL BRANDING DIMENSION TO PURCHASE  
INTENTION ON ORIFLAME LIPSTICK**

**(Undergraduate Thesis)**

**By**

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BANDAR LAMPUNG  
2019**

## **ABSTRACT**

### **THE EFFECT OF HALAL BRANDING DIMENSION TO PURCHASE INTENTION ON ORIFLAME LIPSTICK**

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In recent era, halal is transcending from a religious issue confined to mosleem, to being a global symbol in the market. as halal trends become more popular, the demand for halal cosmetics is continuously growing as consumer want to expand their awareness of cosmetics while remaining loyal to Islamic values. The purpose of this research is to elaborate the effect among halal branding dimension which include halal brand image, halal brand trust, halal brand loyalty, and halal brand satisfaction on consumer purchase intention of Oriflame lipstick.

A multiple regression analysis is tested with the help of SPSS version 25, and the sampling technique is non probability sampling. The research used the online questionnaire to collect data from 200 respondents in Bandar Lampung who meet the criteria.

The findings shows that halal brand image and halal brand trust does not have significant and positive effect to purchase intention on Oriflame lipstick. Meanwhile, halal brand loyalty and halal brand satisfaction has a significant and positive effect to purchase intention on Oriflame lipstick. The findings have significant implications which may help Oriflame to develop suitable strategies for its halal brands. Furthermore, it could help Oriflame to target new segments and implement effective marketing based on halal communication strategies.

**Keywords: Mosleem, halal brand image, halal brand trust, halal brand loyalty, halal brand satisfaction**

**THE EFFECT OF HALAL BRANDING DIMENSION TO PURCHASE  
INTENTION ON ORIFLAME LIPSTICK**

**Researcher**

**MUTIARA FITRI ANDINI**

**Undergraduate Thesis**

**As One of Requirements to Achieve  
BACHELOR OF ECONOMICS**

**In**

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2019**

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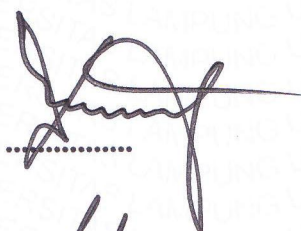
  
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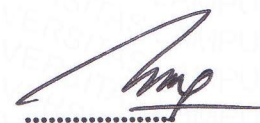
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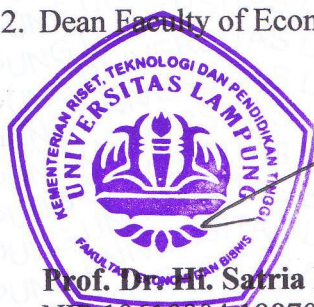
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## **BIOGRAPHY**

The researcher was born in Bandar Lampung, on February 1<sup>st</sup>, 1997, as the third child of three siblings of Mr. Ami Martoni, S.H. and Mrs. Ernawati, S.H. and sister of Tirta Ari Nurrahman and Jimi Erda Perwira. Researcher initial academic education started on TK Bunga Bangsa which was completed in 2003, elementary school (SD) was completed at SDN 47/IV Telanaipura in Jambi in 2009, then continued to SMP Kartika Jaya II-2 Bandar Lampung in 2012.

In 2015, the researcher completed Senior High School (SMA) in SMAN 1 Bandar Lampung. In 2015, the researcher was accepted in Faculty of Economic and Business, University of Lampung, majoring in marketing management and took international class.

## MOTTO

يَا أَيُّهَا الَّذِينَ آمَنُوا اسْتَعِينُوا بِالصَّبْرِ وَالصَّلَاةِ إِنَّ اللَّهَ مَعَ الصَّابِرِينَ

**“ Believers! Seek help in patience and in Prayer; Allah is with those that  
are patient”**

**- Q.S Al-Baqarah, Ayat 153**

“Whatever you do, do with kindness.

Whatever you say, say with kindness.

Wherever you go, radiate kindness”

**- Jonathan Lockwood Huie**

“I cant change the direction of the wind, but I can adjust my sails to  
always reach my destination”

**- Jimmy Dean**



## **DEDICATIONS**

Bismillahirrahmaanirrahiim

Alhamdulillah, praise and gratitude toward Allah SWT, shalawat and salaam to the prophet Muhammad SAW, thus this undergraduate thesis can be completed.

This undergraduate thesis is dedicated to the most important people in my life:

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The researcher realized that the writing of this undergraduate thesis is still far from perfect. Hopefully, this undergraduate thesis would give a positive contribution for those who are interested to conduct the future research.

Bandar Lampung, July 18<sup>th</sup> 2019  
The Researcher,

**Mutiara Fitri Andini**  
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## **I. INTRODUCTION**

### **A. Research Background**

In recent years, halal certification has attracted attention from both practitioners and academicians. Mosleem consumers are cautious in their buying behaviour in order to ensure that the products they purchase both halal (lawful) and tayyib (pure) according to their religion (Wilson and Liu, 2011). The halal concept is part of a belief system and moral code of conduct of mosleem consumers that touches every single facet of Islamic life (Baker, 2011). Although the perception of halal is generally limited to food and food products, the halal concept covers non-food products (Ibrahim *et al.*, 2012). The halal brand incorporates a variety of products and services in hospitality, banking and finance, insurance, beverages and cosmetics (Talib and Johan, 2012; Borzooei and Asgari, 2013). Apart from the emergence of the halal concept as a mosleem brand identifier, halal is transcending from a religious issue confined to mosleem, to being a global symbol synonymous with quality in the mainstream market (Hanzaee and Ramezani, 2011).

In the multi-racial and culturally-diverse society found in Indonesia, it is vital for the general public to be aware of the cultural and religious imperatives affecting mosleem, and this requires an emphasis being placed on the halal image based on the halal certification available for products or services. This certification enables mosleem to express their religious faith via their consumption. Indonesia has around 217 million mosleem, or approximately 87% of the total population of Indonesia (Ministry of trade, 2015). The large number of Indonesian mosleem population makes halal lifestyle a common thing, be it food and drinks, medicines, cosmetics, dress styles, and economic system.

Currently the halal lifestyle, especially in terms of consuming halal products, not only is the habit and consumption of the mosleem population, however has begun to become a lifestyle that is considered healthy and good for the health of the world population including the countries which the mosleem population is relatively small. Countries with a majority of the population are mosleem, or especially members of the Organization of Islamic Cooperation (OIC), began to discuss the prospect of halal products in international trading. Indonesia itself is one of the Asian countries that have great potential as a manufacturer of halal products, and based on that fact, Indonesia should be a leader in trading of halal products in Asia and able to penetrate the world market.

Therefore, the role of the government and business owner in Indonesia is needed in answering the challenges of international trade in halal products, that are very potential for Indonesia's own needs as well as mosleem countries, and other countries that is interested in halal products. LPPOM MUI(Lembaga Pengkajian Pangan Obat-obatan dan Kosmetika Majelis Ulama Indonesia) play a crucial role; as not only a link between the halal producer and the halal sensitive consumer but they also function as a supply chain partner in the halal producer's (quality assurance) value chain.

The main purpose of a LPPOM MUI certificate is to provide peace for mosleem and become a global halal center that provides information, solutions and halal standards recognized nationally and internationally. Halal label printed on the packaging of a product will make it easier for consumers to identify the product. LPPOM MUI as the institution that issued the halal logo became a media for companies to provide competitive advantage in order to be able to compete with their competitors. Figure 1 shows the halal logo issued by LPPOM MUI:



**FIGURE 1 OFFICIAL HALAL LOGO MUI**

(Source: [www.halalmui.org](http://www.halalmui.org), 2018)

As halal is becoming a trend nowadays, it is also reported in the State of the Global Islamic Economy report (2018/2019) issued by Thomson Reuters and the Dinar Standard, the most promising opportunities in the economic sector for halal products are as follows:

### **1. Halal Food**

The consumption level of the Indonesian mosleem food expenditure market towards halal food and beverage products in 2018/2018 reached a value of US \$ 170 billion. Halal food projected will reach US \$ 1 trillion by 2020 (Reuters and Standard, 2018).

### **2. Islamic Finance**

Indonesia becomes one of the top 10 ranks of islamic finance market. Indonesia ranks 8 with total market assets of \$ 82 billion, below Bahrain (US \$ 84 billion), Kuwait (US \$ 109 billion), Qatar (US \$ 129 billion), Uni Arab Emirates (US \$ 222 billion), Malaysia (US \$ 491 billion), Saudi Arabia (US \$ 509 billion), and Iran (US \$ 578 billion) (Reuters and Standard, 2018).

### **3. Halal Travel**

Tourism that is "friendly" for mosleem tourists in terms of facilities (availability of places of worship) and the presence of halal food and cultural heritage tourism with Islamic themes.

Indonesia is included in the top 10 consumer travel mosleem expenditure markets, with a total of US \$ 10 billion (Reuters and Standard, 2018).

#### **4. Modest Fashion**

A new age of fashion has arrived. Modest Fashion is trending across cultures and national boundaries; especially as mainstream brands are waking up to the mosleem market. Mosleem women are driving this market forward, and innovatively pushing boundaries within the fashion sector. for Indonesia, Indonesia is ranked in the top 3 consumer mosleem clothing expenditure markets, with a total of US \$ 20 billion (Reuters and Standard, 2018).

#### **5. Halal Pharmaceutical and Cosmetics**

Pharmaceutical products (vaccines, drugs, etc.) and cosmetics that are not contain illicit ingredients that are prohibited by Al-Quran and Hadith (pigs, alcohol, etc.). Indonesia is one of the countries that have the best developed ecosystem for producing Halal pharmaceutical and cosmetics products. The top five mosleem markets with cosmetics expenditure were India (\$5,4 billion), Indonesia (\$3.9 billion), Russia (\$3.6 billion), Turkey (\$3.4 billion), Malaysia (\$3,1 billion) (Reuters and Standard, 2018).



The halal cosmetics segment is dominated by small and medium-sized enterprises, with the sector at risk of remaining niche. No major halal brand has emerged regionally or globally, while multinationals have only launched limited halal lines. The world's mosleem population is around 1.6 billion or 25% of the total world population which is a potential market for halal product business (Ministry of trade, 2015). Thus it can be predicted that the size of the halal product market in the world is getting bigger and make the opportunity even higher, especially for halal cosmetics.

## **B. Problem Identification**

When Halal trends emerged in recent years, various halal products competed to gain consumer trust. Halal products that have become women's basic needs are cosmetics. Cosmetics themselves have become a woman's main needs. Cosmetics is used as a beauty aid to help build up the self esteem and confidence of an individual. The importance of cosmetics has increased as many people want to stay young and attractive. Cosmetics are available today in the form of foundation, lipstick, powder, eye shadows, mascara, and highlighter. The table 1 lists the top three cosmetic products used by women in the Asia Pacific region in 2016.

**TABLE 1. TOP THREE COSMETICS PRODUCTS USED BY WOMEN IN THE ASIA PACIFIC REGION.**

<b>Countries</b>	<b>Number 1</b>	<b>Number 2</b>	<b>Number 3</b>
Australia	Mascara (75%)	Liquid Foundation (69%)	Lipstick (67%)
China	Lipstick (66%)	Eyebrow Pencil (62%)	Liquid Foundation (67%)
Hongkong	Lipstick (71%)	Liquid Foundation (67%)	Eyebrow Pencil (57%)
Indonesia	Lipstick (80%)	Compact Powder (59%)	Loose Powder (51%)
Malaysia	Lipstick (78%)	Compact Powder (60%)	Loose Powder (54%)
Philippines	Lipstick (87%)	Loose Powder (75%)	Eyebrow Pencil (56%)
Singapore	Lipstick (60%)	Loose Powder (56%)	Eyeliner (51%)
Thailand	Lipstick (85%)	Loose Powder (81%)	Eyebrow Pencil (72%)
Vietnam	Lipstick (91%)	Liquid Foundation (72%)	Lip Gloss (51%)

(Source: [www.id.yougov.com](http://www.id.yougov.com), 2016)

Based on the data in the table 1, it can be seen the top three cosmetic products used by women in the Asia Pacific region. In Indonesia alone, lipstick is the most important cosmetic for Indonesian women with a percentage of 80%, followed by compact powder with 59% and the last loose powder with a percentage of 51%. Lipstick is not only popular but is also considered very valuable by Indonesian women. Looking at the importance of lipstick, it is interesting to see the lipstick market share in Indonesia.

With a large market share, the lipsticks segmentation is becoming a potential market in Indonesia. The table 1.2 lists the top brand of lipstick in Indonesia

**TABLE 1.2. TOP BRAND OF LIPSTICK IN INDONESIA**

<b>Merek</b>	<b>TBI</b>	<b>TOP</b>
Wardah	21,3%	TOP
Maybelline	14,2%	TOP
Pixy	9,8%	
Red-A	9,5%	
Revlon	4,8%	
Oriflame	4,7%	
Puteri	4,4%	

(Source: [www.topbrand-award.com](http://www.topbrand-award.com), 2017)

Even though Oriflame is not in the top 5 as the most popular lipstick brands in Indonesia, but Oriflame itself has made its way to Indonesian market to top 10 of lipstick with a multi level marketing strategy, without using a physical store in Indonesia. By looking at the promising market share interests of cosmetics, especially lipstick, the next thing that must be considered for cosmetics manufacturer who are engaged in make-up is consumer buying behavior. It is important to see consumer behavior in purchasing desired products. Table 1.3 lists the consumer buying behavior of cosmetics products in Indonesia.

**TABLE 1.3. CONSUMER BUYING BEHAVIOR OF COSMETICS PRODUCTS**

<b>Criteria</b>	<b>Percentage</b>
Quality	90,9%
Suitability	89,1%
Ingredients	83,7%
Halal certificate	85%
Price	76,1%
Country of origin	59,3%

(Source: [www.jati.um.edu.my](http://www.jati.um.edu.my), 2018)

In accordance with the trends in cosmetics, it is stated In a report on Halal personal care products and cosmetics, Hunter (2012) stated that due to increasing market internalization, more market product choices consisting of new ingredient formulation have become available to consumers. Based on Hunter research in 2012, the issue of Halal cosmetics is becoming important. This potential trend could lead Oriflame to find a greater market and being able to compete against it competitor in the top brands of lipstick in Indonesia.

From the table 1.3, it stated that there is a growing trend of “halal cosmetics in Indonesia” as mosleem women are halal conscious in their cosmetics purchase. The result showed that Indonesian mosleem female place a greater emphasize on halal over price and country of origin. Oriflame itself is a direct selling beauty company in more than 60 countries.

Its wide portfolio of Swedish, nature-inspired, innovative beauty products that sell various kinds of beauty products that have been long operating in Indonesia. With the majority of Indonesia's population who are moslem, making Oriflame issue halal products to be enjoyed by the Indonesian market. The problem faced by Oriflame when entering Indonesian market is halal certification from LPPOM MUI as a trusted institution that issues halal certification. The problem was that the MUI would not issue halal certificate for products that is not produced in Indonesia. Hence to overcome this, Oriflame cooperates with PT Cosmax Indonesia as the manufacturer of cosmetics by producing one of its cosmetic brands, namely "Oriflame The One Color Stylist Lipstick" with various color variants, with halal certification number 00150070831114. Figure 2 shows the picture of Oriflame the one colot stylist lipstick along with its packaging.



**FIGURE 2. ORIFLAME THE ONE COLOR STYLIST LIPSTICK**

(Source: [www.picmog.com](http://www.picmog.com), 2018)

There are several reasons for focusing on the halal itself as an aspect or branding. First, halal is able to go beyond just the indication of a pure and healthy products, and halal currently has only an insignificant image relevance in Western consumer minds (Temporal, 2011). Second, it assist companies to penetrate new markets by adding value to its products in the competitive environment (Borzooei & Asgari, 2013). The research on the halal market segment and halal purchasing is at the nascent stage (Ali *et al*, 2018). Citation from it is statement, understanding the customer intention towards halal brands is important for the marketers, because most of the consumers are mosleem. Previous study has fact, that there is a relationship between halal brand image, halal brand trust, halal brand satisfaction and halal brand loyalty to customer purchase intention (Ali *et.al*, 2018) which only focused to predict on the consumer's responses towards halal products in the Pakistani milk brand contexts.

However, none highlights the traditional construct of branding to an unexplored field of halal products in terms of cosmetics context in Indonesia. Therefore the current research wanted to fill the research gap. According to that statement, the author propose a research study entitled **“The Effect Of Halal Branding Dimension to Purchase Intention on Oriflame Lipstick”**.

### **C. Research Problem**

Based on the problem identification which has been discussed, then the researcher formulates the problem as follows:

1. Does halal brand image affect the purchase intention on Oriflame lipstick?
2. Does halal brand trust affect the purchase intention on Oriflame lipstick?
3. Does halal brand satisfaction affect the purchase intention on Oriflame lipstick?
4. Does halal brand loyalty affect the purchase intention on Oriflame lipstick?

### **D. Research Purpose**

The research purpose is to answer the following:

1. This study seeks to elaborate the effect of halal brand image to consumer purchase intention on Oriflame lipstick.
2. It also to seek the effect of halal brand trust to consumer purchase intention on Oriflame lipstick.
3. This study seeks to elaborate the effect of halal brand satisfaction to customer purchase intention on Oriflame lipstick.
4. This study seeks to elaborate the effect of halal brand loyalty to customer purchase intention on Oriflame lipstick.



## **E. Research Benefits**

The research benefits are:

### **1. For Researchers**

This research is the final task of the researcher to complete the study and obtain a bachelor's degree. This research is also expected to be a reference for researchers to apply the knowledge, insights, and abilities obtained during the lecture period.

### **2. For Business**

This study may help the Oriflame marketers to develop suitable strategies for their halal lipstick brand, but not only to develop suitable strategies, it allow Oriflame to see whether halal branding at Oriflame can allow businesses to access to new markets in order to enjoy more competitive advantage than the other cosmetics manufacturers.

### **3. For Academics**

In addition, it can also enrich scientific studies in the field of marketing, especially those relating to consumer behavior in relation to purchasing intention.

## **II. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT**

### **A. Literature Review**

#### **1. Management Definition**

According to Peter Drucker (2008) Management is a multi-purpose organ that manages business, managers, workers and work. Management includes the activities of setting the strategy of an organization and coordinating the efforts of its employees (or of volunteers) to accomplish its objectives through the application of available resources, such as financial, natural, technological, and human resources. To achieve the goals set by management, various divisions will work together to achieve them, including finance, human resources, business, and marketing.

#### **2. Marketing Definition**

According to (Kotler & Keller, 2013) the formal definition of "marketing is an organizational function and a set of processes for creating, communication, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its shareholders".

According to these definitions, marketing needs to cover customers' necessities and at the same time sell products to increase future revenues. However, marketing is more extensive than just selling a product. Moreover, marketing activities are all activities associated with identifying the particular wants and needs of a target market of customers, and then going about satisfying those customers better than the competitors. This involves doing market research on customers, analyzing their needs, and then making strategic decisions about product design, pricing, promotion and distribution. Whatever satisfies this need is found and created and presented to the consumers in a way that leads to long-term and bilateral beneficial relationship between consumers and the company. In each step of this process, the company endeavors to surpass its competitors and gain more market share. In order to get a large market share, companies must know about the trends, as well as their consumer behavior.

### **3. Consumer Behavior**

American Marketing Association (Peter J. Paul and Olson Jerry C, 2010) define consumer behavior as the dynamics of the interaction between influence and awareness, behavior and environment where humans exchange aspects of life. In other words, consumer behavior involves the thoughts and feelings they experience and the actions they take in the consumption process. It also includes everything in the environment that affects those thoughts, feelings, and actions.

That includes other consumer comments, pricing information, packaging, product appearance, blogs and more. Dynamic consumer behavior, and involving interactions and exchanges is very important to recognize. As the demand of lipstick is accelerating day by day, marketers ought to fully comprehend the factors that may affect the purchase behavior of lipstick among consumers. By having a holistic knowledge in this area, marketers will be able to produce lipstick that are able to cater to the needs and preferences of the consumers.

#### **4. Theory of Planned Behavior**

An alternative approach to understanding consumer decision making is provided by the theory of planned behavior (Ajzen, 2015). Instead of relying on the overall evaluation or utility of a product or service, this theory focuses on the specific consumer behavior of interest. The goal of the theory of planned behavior (TPB) is to provide a comprehensive framework for understanding the determinants of such behaviors. Theory of Planned Behavior suggests that an individual's behavior is determined by their intention to engage in the behavior, which – in case of purchase intention of lipstick - is a result of the individual's:

- 1. Attitudes:** An individual's beliefs about the attributes and outcomes of intention to purchase lipstick weighted by their evaluations of these attributes or outcomes.

2. **Subjective Norms:** An individual's beliefs regarding important others' approval or disapproval of intention to purchase lipstick, weighted by their motivation to comply with these important others' wishes.
3. **Perceived Behavioral Control:** An individual's perceived control over purchasing intention of lipstick in the presence or absence of facilitators and barriers to quitting.

In general, according to this model, the more positive the attitude and the subjective norms are, and the greater the perceived control is, the stronger the individual's intention to purchase lipstick. By knowing consumers behavior and the factors that encourage buying lipstick, the strategy can be formulated to be able to compete with competitors. Due to to rising competition, it is increasingly difficult for businesses to create a differential advantage in order to attract new customers.

One way to compete with competitors is to do brand differentiation. Brand differentiation is the means by which the brand is set apart from the competition, by associating a superior performing aspect of the brand with multiple customer benefits. To differentiate a halal brand from the traditional brand, companies get halal certifications and then use the specific label to tell potential customers that their brand encompasses halal features (Ali *et al*, 2018).

In Indonesia itself, LPPOM MUI (Lembaga Pengkajian Pangan Obat-obatan dan Kosmetika Majelis Ulama Indonesia) play a crucial role; as not only a link between the halal producer and the halal sensitive consumer but they also function as a supply chain partner in the halal producer's (quality assurance) value chain.

## **5. Halal Certificate Logo**

A halal logo certification on product packaging representing product quality standards based on Islamic dietary standards. Its purpose is to attract mosleem consumers because they tend to search for products that conform to Islamic prescriptions and believe these products are blessed by God (Gayatri *et al.*, 2011). A halal logo on product packaging acts as a seal of approval from an accreditation body; it confirms that the products are suitable for consumption, and this helps to simplify the decision-making process for this group of consumers. Halal certification is a recent trend not only in the food and beverages industry, but also in cosmetics. Husain *et al.*, (2012) stressed that Halal cosmetics quality assurance is exemplified by consumers and organisations requiring suppliers to obtain halal certification. It is therefore necessary that the nature of halal product certification must encompass both certification of product quality and also the operational activities of the organisation (Ruževičius, 2012).

As for what is meant by halal products are products that meet the requirements of halal in accordance with Islamic law (Burhanuddin, 2011: 140), namely:

1. Does not contain pork and ingredients derived from pigs.
2. Does not contain prohibited ingredients, such as: human organs, blood, dirt, and others.
3. All materials derived from halal animals are slaughtered according to the procedures of Islamic law.
4. All storage places, places of sale, processing and transportation that do not use pigs.
5. All foods and drinks that do not contain khamr.

Meanwhile for lipstick, in reality it is not consumed in the context of the product will enter the body. However, lipstick are usually associated with sacred or unclean problems because they will stick with body parts. Based on this, lipstick will be haram if it contains the ingredients mentioned above.

## **6. Halal Brand Image**

Halal Brand image is considered as one of the main factors influencing customers' perception of the product or services. It is a perception that is formed and held in the mind of the consumers with regards to certain products, services, or even a business entity in the marketplace (Wu, 2011). Halal brand image is defined as a perception that is formed and held in the mind of the consumers that is linked with to mosleem faith and halal concerns and commitment (Ali *et.al*, 2018).

The brand image includes the symbolic meaning that associate with the brand-specific attributes, and it is defined as a consumer's brand mental picture in the mind of the consumer that is linked to a set of perceptions or an offering. Brands have more than just a practical product value; brands also offer symbolic value as they create a form of identity for the consumer and aid self-expressive goals (Chernev *et al.*, 2011; He *et al.*, 2012). Brands are a marketing tool to create experiences through relationships and attachments for consumers, be it private or social (Schmitt *et al.*, 2015). Brand image is also used to create awareness among potential customers and to attract new customers. Moreover, brand image helps customers to choose a product or service in a situation where it is difficult to differentiate products or services based on tangible features of quality. Similar to the role of brand image for products in general, brand image for halal products becomes an added value and makes it easier for consumers to find products that suit their preferences and it will build good relations between the company and consumers due to trust in the product's brand image, which in finally it is expected to have a positive influence on other products in the same brand.

## **7. Halal Brand Trust**

Trust, which is an essential part of any brand management strategy (Temporal, 2011), is a very important factor in today's business environment (Liza, 2011) to establish a strong relationship between a brand and its consumers.



Trust will be categorized into emotional and rational aspects (Temporal, 2011). Halal brand trust is defined as a willingness to depend on a product, service, or brands, based on the expectation or belief resulting from its ability, benevolence, and credibility about its halal performance (Ali *et.al*, 2018). In the Halal context, according to a study by Wilson and Liu (2010), Halal plays some roles in mosleem life - part of a belief, essential daily living, ethical system, and emotional peace. Thus, building a trustworthy halal brand enables businesses to appeal emotionally to the consumers. In addition, in order to satisfy the rational side, businesses must pay great attention to the needs of consumers by faithfully complying with shariah regulations in their products. Accordingly, trust enhances consumer commitment to the brand (Mohamed & Daud, 2012).

## **8. Halal Brand Satisfaction**

The positive attitude a consumer develops as a result of evaluating their consumption experience with a certain product is called satisfaction. Halal brand satisfaction is defined as a pleasurable level of consumption-related fulfilment to satisfy a mosleem customer's halal desires, expectations, and needs (Ali *et.al*, 2018). Customer satisfaction is the precursor of brand loyalty; it is created after a process. It is or of their decision to repurchase. Brand satisfaction usually associated with the perception of quality. Chen and Chang (2013) mentioned that the increase of perceived quality enhances consumers brand satisfaction along with brand trust. In addition, it is suggested that quality directs to performance and to end with customer satisfaction.

## **9. Halal Brand Loyalty**

Brand loyalty is the customer's level of attachment to a brand (Aaker, 1991). Customer loyalty with its brands is one of the most valuable assets for any organizations, and is probably one of the best measures of success. Halal brand loyalty is defined as a deeply held attachment and commitment to rebuy or repatronise a halal brand over non-halal brand consistency in the future (Ali *et.al*, 2018). In the context of halal brand loyalty, this will be the main advantage for companies that operate their products in areas where the majority of the population is Islam, such as in Indonesia, especially in Lampung city. This is due to the tendency of mosleem to use halal goods. The tendency of mosleem to use halal goods that are in accordance with Islamic law will lead to this loyalty to other products that use halal brands, this is driven by perceptions and beliefs held by mosleem. Many researchers also reported brand loyalty as an important antecedent of consumer purchase intention.

## **10. Purchase Intention**

Purchase intention is a procedure to examine and foresee the behavior of consumers toward their attention toward particular brand and their willingness to buy it (Shah *et al.*, 2012). Greater purchase intention enables the consumers to purchase a product or service. The most significant issue in each industry concentrates on increasing purchase intention.

## 11. Previous Research

In this study, the authors used previous research as a refusal measure and references. Previous research are important to determine the systematic steps for preparation research in terms of theory and concept. The table 4 contains a summary of previous research on halal branding dimension.

**TABLE 2. PREVIOUS RESEARCH**

No	Research Title	Author	Year of Publication	Results
1	Antecedents of Consumers' Halal Brand Purchase Intention: An Integrated Approach	Afzaal Ali, Guo Xiaoling, Mehkar Sherwani, and Adnan Ali	2018	Halal brand image, halal brand satisfaction, halal brand trust, and halal brand loyalty significantly influence consumer halal brand purchase intention.
2	The Halal brand Personality and its Effect on Purchase Intention	Mahdi Borzooei and Maryam Asgari	2013	Halal brand trust is a significant competitive advantage which has a great impact on the behavioral intentions of consumers, thus enhance the purchase intention.
3	Factors Affecting Halal Purchase Intention - Evidence from Pakistan's Halal food sector	Hayat Muhammad Awan, Ahmad Nabeel Siddiquei, and Zeeshan Haider	2015	Halal certifications and logos tend to reassure the customers that the product is Halal. Consumers desire food products that have the Halal logo on it and therefore are licensed by a trustworthy Halal authority.
4.	Brand purchase intention and brand purchase behavior in halal meat brand	Saad Shakil, and Shahbaz Majeed.	2017	Halal brand image, halal brand trust, halal brand loyalty and halal brand satisfaction has a positive impact on purchase intention.

(Source: Research data, 2018)

## **B. Theoretical Framework and Hypothesis Development**

A good theoretical framework will explain theoretically the relationship between the variables to be studied. According to Uma Sekaran (in Sugiyono, 2017), argues that theoretical framework is a conceptual model about how theory relates to various factors that have been defined as an important problem. Whereas according to Suriasumantri (in Sugiyono, 2017), theoretical framework is an explanation while the symptoms are the object of the problem. Based on the explanation above, it can be concluded that the theoretical framework is a conceptual explanation of interrelationships between each problem's object based on the theory. Halal branding construct that includes halal brand image, halal brand trust, halal brand loyalty and halal brand satisfaction is the development of brand image, brand trust, brand loyalty, and brand satisfaction theories. Halal branding becoming a popular theory discussed by academics and practitioners because of promising opportunities, especially in countries that have a majority mosleem population.

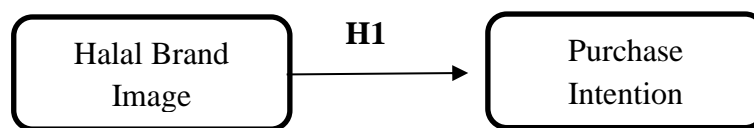
### **1. The Effect of Halal Brand Image on Purchase Intention**

Previous researchers have examine the direct association between brand image and purchase intention, and have reported that managers can improve the brand image by increasing product variety, enhancing product quality, offering the products in the price worthy of value, and pleasantly providing after sale services, these improvements directly increase the purchase intention of the products (Jalilvand and Samiei, 2012).

In addition, previous studies have also examined the effect between brand image and purchase intention, it indicates that brand image shows significant positive effect on purchase intention (Ali *et.al*, 2018; Kwandy, 2017). According to the previous studies, it is believable that when there is an increase in brand image it will positively and significant influence the purchase intention. In accordance with the theory, therefore the researcher assume that brand image, and in this case is halal brand image may positively and significantly influence the purchase intention. The following hypothesis is proposed:

H1. Halal brand image has a positive and significant effect to purchase intention on Oriflame lipstick.

Based on the theory that has been explained, the hypothesis that will be developed are as follows:



**FIGURE 2. HYPOTHESIS 1 CONSTRUCT**

## **2. The Effect of Halal Brand Trust on Purchase Intention**

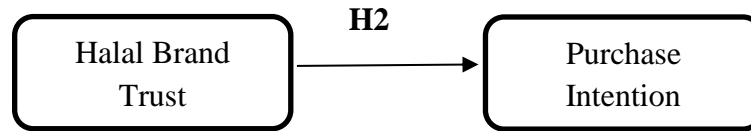
Based on marketing theory, trust is a crucial part of a relationship, which has been studied and attested to by psychologists, sociologists, and economists from the perspectives of management and marketing principles. It is their consensus that when the consumer has trust in a brand it comes with the belief that the brand will consistently deliver its promise of value to consumers.

By analyzing the consumer trust as a marketing strategy, a company can retain current consumers and win new ones as well. Further, in the highly competitive market, brand trust is a significant competitive advantage which has a great impact on the behavioral intentions of consumers. Indeed, trust enhances the consumer's purchase intention (Liza, 2011; Bouhlel *et al.*, 2011) and it affects consumer's repetitive purchase behavior as well (Belaid & Behi, 2011). Finally, trust is an essential element that focuses on the future relationship between brand and consumer because it is a guarantee for consumers that they will get value from the brand, while a lack of trust would negatively influence the relationship. Therefore, it is important for a brand to be perceived as trustworthy by customer to affect the purchase intention.

Furthermore, the effect between brand trust and consumer purchase intention has widely been explored by the researchers, and reported that brand trust does have a positive and significant effect on purchase intention of consumer (Kang and Hur 2012; Rahbar; Wahid, 2011; and Ali *et.al*, 2018). In accordance with the theory, therefore the researcher assume that brand trust, and in this case is halal brand trust may positively and significantly influence the purchase intention. The following hypothesis is proposed:

H2. Brand trust effect has a positive and significant effect to purchase intention on Oriflame lipstick.

Based on the theory that has been explained, the hypothesis that will be developed are as follows:



**FIGURE 3. HYPOTHESIS 2 CONSTRUCT**

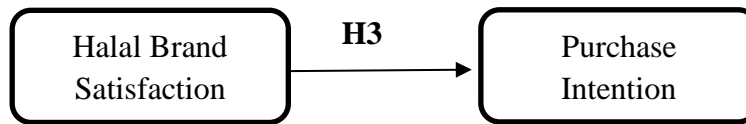
### **3. The Effect of Halal Brand Satisfaction on Purchase Intention**

Previous study have examined the relationship between brand satisfaction on purchase intention, and have reported that there was a positive and significant relationship between those two variables (Ercis *et.al*, 2012). The idea is that customers' positive affect towards product or service is likely to stimulate them to repurchase and recommend that particular brand to others. Therefore, this study proposed a novel construct, "Halal brand satisfaction", and defined it as "a pleasurable level of consumption-related fulfilment to satisfy a customer's Halal desires, expectations, and needs". In the Halal context, when an organisation proclaims to deliver Halal products, the existing quality perceptions in consumer mind positively and significantly influence to enhance the Halal brand satisfaction, which in the end influence the purchase intention (Ali *et al*, 2018).

Finally, the researcher assume that brand satisfaction, and in this case is halal brand satisfaction may positively and significantly influence the purchase intention. The following hypothesis is proposed:

H3. Halal brand satisfaction has a positive and significant effect to purchase intention on Oriflame lipstick.

Based on the theory that has been explained, the hypothesis that will be developed are as follows:



**FIGURE 5. HYPOTHESIS 4 CONSTRUCT**

#### **4. The Effect of Halal Brand Loyalty on Purchase Intention**

Brand loyalty is a consumer behavior pattern where consumers become committed to a particular brand and make repeat purchases over time. Companies use creative marketing strategies, such as loyalty or rewards programs, trials, brand ambassadors, and incentives like free samples to build brand loyalty. In this study the researcher plan to determine whether the consumer will buy the product in future or not, this shows the brand loyalty towards Oriflame line of products, which is lipstick. It means that if the customer are ready to buy frequently the same brand in future, they are loyal to that particular brand and they are highly satisfied with price and quality of the particular brand. This will directly increases the brand loyalty towards the products itself. In accordance with the previous study conducted by Hameed & Kawal, 2018; Heidarzadeh & Andervazh, 2012; and *Ali et.al*, 2018 which proved the positive and significant effect of brand trust towards purchase intention.

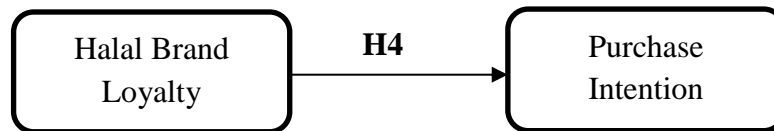


Therefore, the researcher assume that brand loyalty, and in this case is halal brand loyalty may positively and significantly influence the purchase intention.

The following hypothesis is proposed:

H4. Halal brand loyalty has a positive and significant effect to purchase intention on Oriflame lipstick.

Based on the theory that has been explained, the hypothesis that will be developed are as follows:

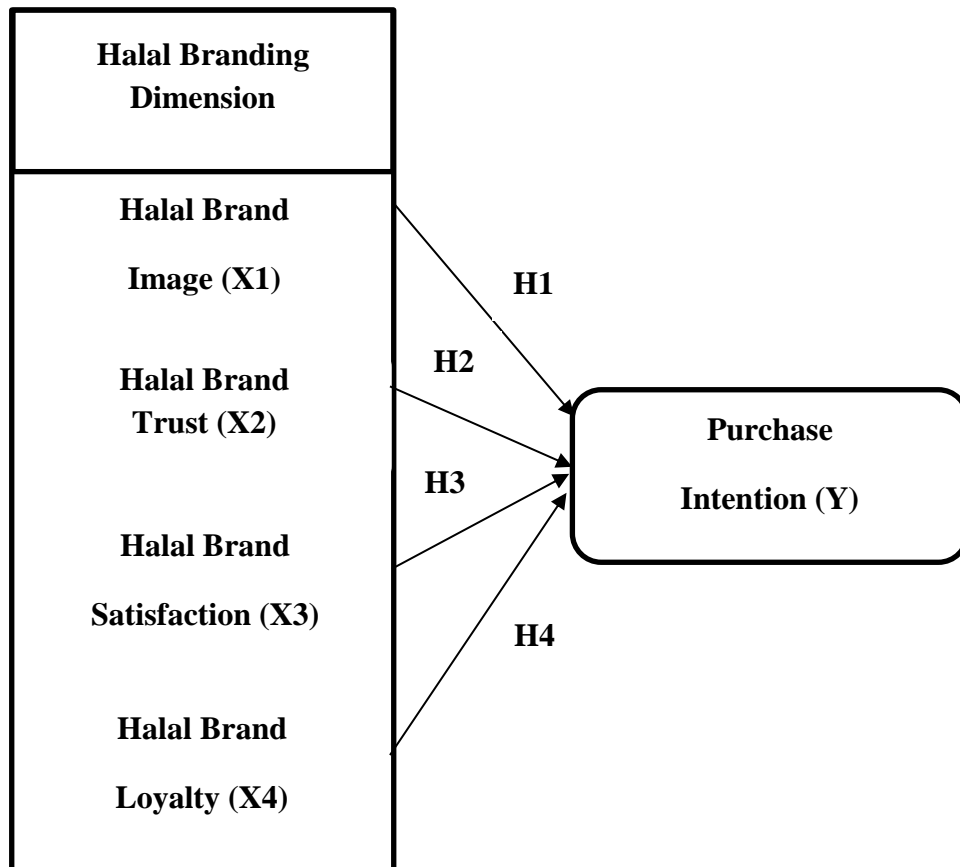


**FIGURE 4. HYPOTHESIS 3 CONSTRUCT**

By identifying the halal brand image, halal brand trust, halal brand satisfaction and halal brand loyalty, businesses will be able to boost the purchase intention of consumer and change the attitude of those consumer who see halal as merely a spiritual issue. However, taking consumer psychology into consideration, marketing strategists need further insight into the use of halal as a branding symbol for building consumer bond and preferences for a sustainable competitive advantage in the target market segment. The existence of halal brand image will be present as a friendly product for mosleem and is used as a basis for confidence and security for mosleem to purchase the products, which in the end is expected to give a positive impression to the brand of the product.

Based on the previous studies, this research focuses on halal brand image, halal brand trust, halal brand loyalty, and halal brand satisfaction that are used to seek the effect on purchase intention. Using this model this study will validate the effect among the research constructs.

**FIGURE 6. HALAL BRANDING DIMENSION**



### **III. RESEARCH METHODOLOGY**

#### **A. Research Design**

The design of this study is causal. Causal research according to Uma Sekaran (2016) is a study conducted to test whether one variable causes other variables to change. In causal studies, researchers are interested in delineating one or more factors that cause problems. The purpose of the researchers conducting a causal study is to be able to state that variable X causes variable Y. This research examine the effect of X variable (halal brand image, halal brand trust, halal brand satisfaction, and halal brand loyalty) towards Y variable (purchase intention).

#### **B. Research Object**

The object of this research is the effect of halal branding dimension to purchase intention on Oriflame lipstick which consist of halal brand image, halal brand trust, halal brand satisfaction, and halal brand loyalty.

#### **C. Sources of Data**

Sources of Data for the research are both primary and secondary data.

The primary and secondary data have been collected to cover every aspect of the study. These data used in combination as per need of the study. These data having different merits and demerits and have serves purpose of the research study. These are explained below:

### **1. Primary Data**

Primary data are information collected by a researcher specifically for a research assignment. In other words, primary data are information that must be gathered because no one has compiled and published the information in a forum accessible to the public. Primary data are original in nature and directly related to the issue or problem and current data.

### **2. Secondary Data**

Secondary data are the data collected by a party not related to the research study but collected these data for some other purpose and at different time in the past. A variety of secondary information sources is available to the researcher gathering data on an industry, potential product applications and the market place. Secondary data is also used to gain initial insight into the research problem.

## **D. Data Collection Method**

Data collection techniques that will be used in this research include:

### **1. Questionnaire**

According to Suroyo Anwar (2009: 168) Questionnaire or questionnaire is a number of questions or written statements about factual data or opinions relating to the respondent's self, which are considered facts or truths that are known and need to be answered by the respondent. This research will apply questionnaire survey to verify the hypotheses and research framework. Questions on the questionnaire are guided by variable indicators, the process by selecting one alternative answer that is adjusted. Each question item is accompanied by five answers using a score. Scale measurement is using a Likert scale.

With a Likert scale, the variables to be measured are translated into variable indicators. In addition, the indicator is used as a starting point to compile instrument items in the form of statements or questions that need to be answered by the respondent. Each answer is related to statement or attitude support expressed in words (Widiyoko, 2012: 104).

The answer from each instrument that uses a Likert scale has a positive gradation to very negative. In this study, a Likert scale was used with a scale of 1-5 (Widiyoko, 2012: 109):

- |                           |           |
|---------------------------|-----------|
| 1. SA (Strongly agree)    | = score 5 |
| 2. A (agree)              | = score 4 |
| 3. N (neutral)            | = score 3 |
| 4. D (disagree)           | = score 2 |
| 5. SD (strongly disagree) | = score 1 |

## **2. Observation**

Observation is done by collecting secondary data as well as theories and studying and observing matters related to research.

## **E. Research Population and Sampling**

### **1. Population**

Population in research is the whole of objects that can be in the form of humans, animals, plants, symptoms, values, events, etc., so that these objects can be a source of research data (Bungin, 2009: 99). In this research, the population taken was moslem women who use lipstick in Lampung city.

### **2. Sample**

According to Malhotra (2014: 366) sample is a sub group of elements of the population selected to participate in a study or a small part of the population.

The process of selecting samples from the population with the purpose of getting general conclusions about the population based on the results of the research on the selected sample. In this research, the sampling technique used is nonprobability sample. Non probability sampling is used because sampling is based on certain criteria. This is done in order to get precise samples according to the research objectives. Meanwhile, the selection of population members uses purposive sampling method.

According to Malhotra (2014: 366), purposive sampling is the technique of determining samples based on certain considerations, which are considered to be suitable with the characteristics of the specified sample will be sampled. A representative assessment of respondents was determined based on the category of control. the control categories used by researchers in this study are as follows:

1. Female consumers above 17 years old.
2. Consumers that use cosmetic products, especially lipstick.
3. Consumers which have knowledge about halal skin care and cosmetics.
4. Aware of halal branding on Oriflame lipstick.

The population size in this study is very broad and can not be known with certainty. According to hair *et.al* (2010) at least five times as many observations as the number of variables to be analyzed, and the more acceptable sample size would have 10:1 ratio.

Therefore the sample size to be used is calculated by the following formula (Hair *et.al*, 2010):

$$\text{Sample size} = n \times 10$$

explanation:

$$n = \text{Indicator}$$

By using this formula, the following calculation is obtained:

$$\text{Sample size} = 17 \times 10 = 170 \text{ respondents}$$

From the results of the calculations, the number of samples studied was 200 respondents. 200 respondents are rounded from 170 because the researcher cannot estimate the total number of respondents, and to reduce the error.

## **F. Research Variable And Operational Definition**

### **1. Independent Variable**

Independent variables or usually in symbols (X) are variables that affect the dependent variable, both those with positive influence and those with negative influence. In an analysis, it will be seen that the variables that explain the path or the way a problem is solved are none other than independent variables (Ferdinand, 2006). In this research, the independent variables are halal brand image, halal brand trust, halal brand satisfaction, and halal brand loyalty.



The measure of halal brand image consisted of four items which was adopted from previous studies (e.g Chen, 2010; Kang and Hur, 2012; Mourad and Ahmed, 2012). Halal brand trust was measured with four items (Ali *et al.* 2018; Chen, 2010). Halal brand satisfaction was adopted from previous studies (Kang and Hur, 2012; Mourad and Ahmed, 2012). Finally, Halal brand loyalty was adopted from the study of Kang and Hur (2012)

## 2. Dependent Variable

Dependent variable or usually in symbol (Y) is the focus of the researcher in an analysis. The nature of a problem (the nature of a problem) is easily seen by recognizing the various dependent variables used in a model. Variability of or this factor is trying to be explained by a researcher (Ferdinand, 2006). In this research, the dependent variable is the purchase intention. Purchase intention was measured with two items, adopted from previous studies (Ali *et al.* 2018; Rahman, 2015).

## G. Operational Variables

**TABLE 3. OPERATIONAL VARIABLES**

<b>Variable</b>	<b>Variable Definition</b>	<b>Variable Indicator</b>	<b>Scale</b>
<b>Halal brand image</b>	A perception that is formed and held in the mind of the consumers that is linked with to mosleem faith and halal concerns and commitment. (Ali <i>et.al</i> , 2018)	<ul style="list-style-type: none"> <li>• Oriflame lipstick is well reputed among halal lipstick brands</li> <li>• Oriflame lipstick addresses all my halal concern</li> <li>• Oriflame lipstick is the best benchmark of halal commitment</li> </ul>	<b>Likert</b>
<b>Halal brand trust</b>	A willingness to depend on a product, service, or brand based on the expectation or belief resulting from its ability, benevolence, and credibility about its halal performance. (Ali <i>et.al</i> , 2018)	<ul style="list-style-type: none"> <li>• I trust Oriflame lipstick</li> <li>• Oriflame lipstick contain safe ingredients</li> <li>• I could rely on Oriflame lipstick as a halal lipstick</li> <li>• Oriflame lipstick is an honest brand</li> </ul>	<b>Likert</b>

**TABLE 3. OPERATIONAL VARIABLES CONTINUED**

<b>Halal brand satisfaction</b>	A pleasurable level of consumption-related fulfilment to satisfy a customer's Halal desires, expectations, and needs. (Ali <i>et.al</i> , 2018)	<ul style="list-style-type: none"> <li>• I am happy about the decision to choose Oriflame lipstick because of its halal commitments</li> <li>• I believe that purchasing Oriflame lipstick is right because of its halal assurance</li> <li>• Overall, I am satisfied with Oriflame lipstick because of my halal concerns</li> </ul>	<b>Likert</b>
<b>Halal brand loyalty</b>	A deeply held attachment and commitment to rebuy or repatronise a halal brand over non-halal brand consistently in the future. (Ali <i>et.al</i> , 2018)	<ul style="list-style-type: none"> <li>• I prefer Oriflame lipstick than other halal lipstick brands</li> <li>• I intend to buy Oriflame lipstick in my next purchase</li> <li>• I recommended Oriflame lipstick to others (e.g. friends, family)</li> <li>• I intend to pay even more for Oriflame lipstick than for other halal lipstick brands</li> </ul>	<b>Likert</b>
<b>Purchase Intention</b>	A procedure to examine and foresee the behavior of consumers toward their attention toward particular brand and their willingness to buy it (Shah <i>et al.</i> , 2012)	<ul style="list-style-type: none"> <li>• I will buy Oriflame lipstick in the near future</li> <li>• Whenever I intend to buy milk, probably I will purchase Oriflame lipstick</li> <li>• Oriflame lipstick is the main choice in buying halal lipstick compared to other halal lipstick brands</li> </ul>	<b>Likert</b>

(Source: Data processed by researcher, 2018)

## H. Data Analysis Method

### 1. Validity Test

Valid means that the instruments used can measure what they want to measure (Ferdinand, 2006). The validity use in this content (content validity) describes the suitability of a data gauge with what will be measured (Ferdinand, 2006). This research used validity test with factor analysis method. Analysis factors identify the structure of the relationship to see correlations between variables or correlations between respondents. Factor analysis requires that the data matrix must have enough correlation to be able to do the factor analysis.

In testing the validity, a measuring device in the form of a computer program is used, namely SPSS Statistics version 25. The stages of looking at the validity test use the following conditions:

1. The KMO (Kaiser-Meyer-Olkin) value, a measure of KMO sampling adequacy, is an index used to test factor analysis compatibility. KMO Value between 0.5 and 1 identify that the factor is adequate.
2. Anti-Image, the correlation between independent variables, in factor analysis, must be  $> 0.5$  with a significant  $< 0.05$ . To see the correlation between variables independent can be considered the Anti-Image Matrices table in the SPSS program. The value considered is MSA (Measure of Sampling Adequacy).
3. Factor loading, is the magnitude of the correlation of an indicator with the other construct (Malhotra (2009: 40). Validity criteria for an indicator are stated valid if it is equal to 0.5 ( $\geq 0.5$ ).

## **2. Reliability Test**

Reliability is a tool used to measure a questionnaire is an indicator of the variables. According to Malhotra (2014: 317), a scale or instrument measuring data and the resulting data is called reliable or trusted if the instrument consistently raises the same results every time a measurement is made. The method used to test the reliability of the questionnaire inside this research is using the Cronbach Alpha coefficient formula (Malhotra 2014: 318).

The indicator of each variables would be reliable, if the Cronbach's Alpha is > 0,6 and Cronbach's Alpha value is greater than the Cronbach's Alpha if item is deleted. In calculating the Alpha, a computer program tool is used, namely SPSS Statistics version 25.

### 3. Multiple Linear Regression Analysis

The regression analysis is being calculated using IBM SPSS Statistic version 25, after the result is revealed then the research will proceed to calculations of the multiple regression equation as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

Explanation:

**Y** = Purchase Intention

**a** = Constants

**b (1,2,3,4)** = Regression coefficient

**X1** = Halal Brand Image

**X2** = Halal Brand Trust

**X3** = Halal Brand Satisfaction

**X4** = Halal Brand Loyalty

**e** = Standard error

## I. Hypothesis Test

### 1. T Test

T test is conducted to discover significant effect of each independent variable on dependent variable in a partial way. In calculating the t-test, several criteria should be met:

1. Determine the hypothesis formulation.
  - $H_0$  : variables  $X_1, X_2, X_3, X_4$  do not have partially significant effect on variable Y.
  - $H_a$  : variables  $X_1, X_2, X_3, X_4$  have influence which is partially significant for variable Y.
2. Determine the 95% of confidence level ( $\alpha = 0,05$ ).
3. Determining significance.
  - Significance value  $< 0,05$  then  $H_0$  is rejected and  $H_a$  is accepted, which indicates independent variable have partially significant affect on dependent variable.
  - Significance value  $> 0,05$  then  $H_0$  is accepted and  $H_a$  is rejected, which indicates independent variable does not have partially significant affect on dependent variables.
4. Determine the degree of freedom ( $df = n-k-1$ .  $Df = 200 - 4 - 1 = 195$ ).  
 Acquired t table value  $(0.05;195) = 1.645$ . With the criteria:
  - T count  $>$  t table then the hypothesis is accepted.
  - T count  $<$  t table then the hypothesis is denied.

## 2. Fisher Test

The F test is used to determine whether there is influence between independent variables and dependent variable by using F test (Fisher test). In calculating the F test, several criteria should be met:

1. Determine the hypothesis formulation.

- $H_0$  : variables  $X_1, X_2, X_3, X_4$  do not have simultaneous significant effect on variable  $Y$ .
  - $H_a$  : variables  $X_1, X_2, X_3, X_4$  have simultaneous significant effect on variable  $Y$ .
2. Determine the 95% of confidence level ( $\alpha = 0,05$ ).
  3. Determine the significance.
    - Significance value  $< 0,05$  then  $H_0$  is rejected  $H_a$  is accepted, which indicates independent variables simultaneously affect dependent variable.
    - Significance value  $> 0,05$  then  $H_0$  is accepted and  $H_a$  is rejected, which indicates independent variables simultaneously does not affect dependent variable.

### 3. Coefficient of Determination ( $R^2$ )

The coefficient of determination ( $R^2$ ) basically measures the ability of the model to explain variations in independent variables. The coefficient of determination is between 0 and 1. If the value of  $R^2$  is close to one, it means that the independent variables provide almost all of the information needed to predict variations in the dependent variable.

## **IV. RESULTS AND ANALYSIS**

### **A. The Result of Qualitative Research**

#### **1. The Process of Conducting the Research**

Before taking data, the researcher conducted a pre-test of the instrument in the questionnaire. Questionnaire trials were conducted by distributing an online questionnaire on February 18, 2019 at 6:40 p.m. to several respondents who met the criteria, which are 47 people. This trial was conducted to determine the validity and reliability of each instrument. Based on 17 indicators available, all indicators met the criteria of validity and reliability, so that it can be continued to retrieve data to 200 respondents.

#### **2. Respondent's Characteristics Analysis Result**

The distribution of Questionnaire is within the scope of Bandar Lampung city where the respondents are female consumer that use cosmetics products and aware of halal branding on Oriflame lipstick. Total respondents accumulated are 200 individuals. Table 4.1 describe the general information regarding the respondents identity.

**Table 4.1 Respondents General Information**

<b>Variable</b>	<b>Criteria</b>	<b>Frequency</b>	<b>Percentage</b>
Respondents age	1. 18 – 27 Years Old	80	39.60%
	2. 28 – 37 Years Old	54	26.70%
	3. 38 – 47 Years Old	44	21.80%
	4. > 47 Years Old	22	10.90%
<b>Total</b>		<b>200</b>	<b>100%</b>
Educational background	1. Senior High School Graduates	52	25.70%
	2. University Graduates	148	73.30%
<b>Total</b>		<b>200</b>	<b>100%</b>
Occupation	1. Housewife	33	11.90%
	2. Government Employees	80	39.60%
	3. Private Employees	33	16.30%
	4. Students	63	31.20%
<b>Total</b>		<b>200</b>	<b>100%</b>
Have heard of halal cosmetics	1. Yes	200	100%
	2. No	0	0%
<b>Total</b>		<b>200</b>	<b>100%</b>
Use halal cosmetics	1. Yes	200	100%
	2. No	0	0%
<b>Total</b>		<b>200</b>	<b>100%</b>
Reason for using halal cosmetics	1. Islamic thoughts	22	10.90%
	2. Recommendation from friends/family/doctors	13	7.90%
	3. Guaranteed quality and safety of halal cosmetics	163	80.70%
<b>Total</b>		<b>200</b>	<b>100%</b>

(Source: Data Processed by Researcher. Appendix 4, 2019)



Based on the questionnaire that has been processed, a general description of the respondents in detail can be seen in table 4.1. Table 4.1 describes that out of 200 respondents, there were 80 respondents (39.60%) aged between 18-27 years old, 54 respondents (26.70%) aged between 28-37 years old, 44 respondents (21.80%) aged between 38 - 47 and 22 respondents (10.90%) aged over 47 years.

This indicates that female consumers ranging in age from 18 to 27 years are consumers who actively use cosmetics and are aware of the halal trends that have developed in recent times. The needs to improve social standing will drive young mosleem to being aware about halal cosmetics. The ability to convey and reflect a good self image to others in the social context is particularly important for this generation (Jackson *et.al*, 2011). Especially for young mosleem who are conscious about their appearance may have a strong awareness on the beauty products, enabling them to ehance social standing. Being young, respondents are expected to be more accessible to information and would react proactively towards halal trends. These condition is in accordance with the theory of planned behavior related to attitude and subjective norms with an emphasis on others approval and motivation to comply with social status (Ajzen, 2015).

In terms of educational background, 148 respondents (75.30%) were university graduates, and the remaining 52 people (25.70%) were high school graduates, it means that respondents have a high level of education and it is expected that with a high level of education, respondents become more critical and selective in considering halal cosmetics.

While based on the respondent's occupation, 80% were government employees, 31.20% were students, 16.30% were private workers, and the remaining 11.90% were housewives. It means that government employees are potential consumers of the halal cosmetics market, followed by students who like to follow the cosmetic trend. From 200 respondents, when asked questions about whether they had heard or acknowledge about halal cosmetics, all respondents answered that they had heard and becoming consumer of halal cosmetics. When asked why they used halal cosmetics, 80.70% of them reasoned the guarantee of quality and safety offered by halal cosmetics. The other 10.90% is based on Islamic thought, and the remaining 7.40% is suggested by friends, family, or doctors. It indicates that their preferences to used halal cosmetics is mainly shaped by the guaranteed quality and safety of halal cosmetics. Islamic thought and close relatives are also a part of subjective norms and the reason why they intend to choose halal cosmetics.

## B. Data Analysis Method

### 1. Validity Test

The validity use in this content describes the suitability of a data gauge with what will be measured. In testing the validity, a computer program is used, namely SPSS Statistics version 25. The stages of looking at the validity test is using the KMO (Kaiser-Meyer-Olkin) value, Anti-Image, and Loading Factor with validity criteria for each indicator  $> 0.5$ .

**Table 4.2 Results of Validity Test of All Variables**

Variables	Item	KMO	Anti-Image	Loading Factor	Description (> 0.50, Valid)
Halal Brand Image (X1)	X1.1	0.717	0.723	0.850	Valid
	X1.2		0.725	0.849	Valid
	X1.3		0.703	0.862	Valid
Halal Brand Trust (X2)	X2.1	0.759	0.752	0.808	Valid
	X2.2		0.744	0.878	Valid
	X2.3		0.744	0.826	Valid
	X2.4		0.799	0.847	Valid
Halal Brand Satisfaction (X3)	X3.1	0.733	0.780	0.896	Valid
	X3.2		0.741	0.879	Valid
	X3.3		0.752	0.875	Valid
Halal Brand Loyalty (X4)	X4.1	0.784	0.750	0.898	Valid
	X4.2		0.796	0.851	Valid
	X4.3		0.827	0.842	Valid
	X4.4		0.771	0.841	Valid
Purchase Intention (Y)	Y.1	0.695	0.812	0.847	Valid
	Y.2		0.637	0.935	Valid
	Y.3		0.683	0.903	Valid

(Source: Data Processed by Researcher. Appendix 6, 2019)

The Table 4.2 has shown that all the indicators in Halal Brand Image (X1), Halal Brand Trust (X2), Halal Brand Satisfaction (X3), Halal Brand Loyalty (X4), and Purchase Intention (Y) were valid. All of the KMO, anti-image correlation, factor loading result are  $> 0.5$ . It means that the data can be investigated further.

## 2. Reliability Test

Reliability test is used to measure the indicator of each variables. The method used to test the reliability is using the Cronbach Alpha which being calculated with SPSS version 25. The indicator of each variables would be reliable, if the Cronbach's Alpha is  $> 0,6$  and Cronbach's Alpha value is greater than the Cronbach's Alpha if item is deleted. Table 4.3 shows the results of the reliability test on each indicator.

**Table 4.3 Results of Reliability Test**

Variable	Item	Cronbach Alpha	Cronbach Alpha If Item Deleted	Description ( $>0.6$ , Reliable)
Halal Brand Image (X1)	X1.1	0.806	0.741	Reliable
	X1.2		0.746	Reliable
	X1.3		0.731	Reliable
Halal Brand Trust (X2)	X2.1	0.877	0.839	Reliable
	X2.2		0.794	Reliable
	X2.3		0.829	Reliable
	X2.4		0.816	Reliable
Halal Brand Satisfaction (X3)	X3.1	0.890	0.781	Reliable
	X3.2		0.806	Reliable
	X3.3		0.815	Reliable
Halal Brand Loyalty (X4)	X4.1	0.882	0.814	Reliable
	X4.2		0.849	Reliable
	X4.3		0.856	Reliable
	X4.4		0.851	Reliable
Purchase Intention (Y)	Y.1	0.890	0.843	Reliable
	Y.2		0.752	Reliable
	Y.3		0.816	Reliable

(Source: Data Processed by Researcher. Appendix 7, 2019)

As depicted in the table 4.3, the results of the reliability test with the Cronbach's Alpha value  $> 0.6$  and Cronbach's Alpha value is greater than Cronbach's Alpha if tem deleted, it can be concluded that all variables are reliable, and can be analyzed further.

### C. Result of Questionnaire Distribution

The description of this analysis will describe the result of the respondents answer in each variable.

#### 1. Respondent Answer Result Regarding Halal Brand Image (X1)

Halal Brand Image (X1) has three indicators. Table 4.4 shown the respondents distribution answer regarding each of the indicator.

**Table 4.4 Respondents Distribution on Halal Brand Image (X1)**

No	Indicators	Rating					Total
		SD	D	N	A	SA	
1	Oriflame Lipstick is well reputed among halal lipstick brands	0%	10.9%	23.3%	57.4%	7.4%	100%
2	Oriflame lipstick addresses all my halal concern	0.5%	8.4%	27.7%	56.4%	5.9%	100%
3	Oriflame lipstick is the best benchmark of halal commitment	1.5%	21.3%	31.2%	38.1%	6.9%	100%

(Source: Data Processed by Researcher. Appendix 5, 2019)

Based on Table 4.4 it can be concluded that indicator 1 “Oriflame lipstick is well reputed among halal lipstick brands” have the highest percentage for ‘agree’ by 57.4% and 2 “Oriflame lipstick addresses all my halal concern” have the highest percentage for ‘agree’ by 56.4% regarding the halal brand image in Oriflame. It indicates that respondents are mainly agree that Oriflame is well reputed among halal lipstick brands, and also agree at the fact that using Oriflame lipstick does address their halal concern. As for the indicator 3 “Oriflame lipstick is the best benchmark of halal commitment” even though the percentage of the indicator is not too dominant as it does not reach 50%, but the respondents mainly answer ‘agree’ by percentage of 38.1%, which indicates most of the respondents agree that Oriflame lipstick is the best benchmark of halal commitment.

## 2. Respondent Answer Result Regarding Halal Brand Trust (X2)

Halal Brand Trust (X2) has four indicators. Table 4.5 shown the respondents distribution answer regarding each of the indicator.

**Table 4.5 Respondents Distribution on Halal Brand Trust (X2)**

No	Indicators	Rating					Total
		SD	D	N	A	SA	
1	I trust Oriflame lipstick	0.5%	2.5%	26.7%	56.9%	12.4%	100%
2	Oriflame lipstick contain safe ingredients	0%	2%	25.7%	60.9%	10.4%	100%
3	I could rely on Oriflame lipstick as a halal lipstick	0%	3.5%	27.7%	61.4%	6.4%	100%
4	Oriflame lipstick is an honest brand	0%	3%	34.7%	55%	6.4%	100%

(Source: Data Processed by Researcher. Appendix 5, 2019)

Based on table 4.5 for the indicator 1 “I trust Oriflame lipstick” respondents mainly chose ‘agree’ with the percentage of 56.9%. Which conclude the respondent agreement regarding their trust towards Oriflame lipstick. As for indicator 2 “Oriflame lipstick contain safe ingredients” respondents also ‘agree’ with the percentage of 60.9%, it indicates that respondents trust Oriflame lipstick contain safe ingredients.

Indicator 3 “I could rely on Oriflame lipstick as a halal lipstick” respondents mainly choose ‘agree’ with the percentage of 61.4%, which can be interpreted that Oriflame is a brand that can be trusted and relied upon. Respondents for the 4th indicator "Oriflame lipstick is an honest brand" ‘agreed’ with the statement with a percentage of 55%. This indicates that they believe Oriflame is an honest lipstick brand, and respondents can trust Oriflame lipstick to provide benefits according to their claims.

### 3. Respondent Answer Result Regarding Halal Brand Satisfaction (X3)

Halal Brand Satisfaction (X3) has four indicators. Table 4.6 shown the respondents distribution answer regarding each of the indicator.

**Table 4.6 Respondents Distribution on Halal Brand Satisfaction (X3)**

No	Indicators	Rating					Total
		SD	D	N	A	SA	
1	I am happy about the decision to choose Oriflame lipstick because of its halal commitment	1.5%	7.9%	32.7%	52.5%	4.5%	100%

**Table 4.6 Respondents Distribution on Halal Brand Satisfaction (X3) Continued**

2	I believe that purchasing Oriflame lipstick is the right decision because of its halal assurance	0%	7.4%	32.2%	55%	4.5%	100%
3	Overall, I am satisfied with Oriflame lipstick because of my halal concerns	0.5%	5.4%	31.2%	57.9%	4%	100%

(Source: Data Processed by Researcher. Appendix 5, 2019)

Based on Table 4.6, for the indicator 1 “I am happy about the decision to choose Oriflame lipstick because of its halal commitment” 52.5% of the respondents mainly agreed with the statement. As for indicator 2 “I believe that purchasing Oriflame lipstick is the right decision because of its halal assurance“ respondents mainly agreed with the statement with the percentage of 55%.

Both of the percentage from indicator 1 and indicator 2 means that respondents are satisfied with their decision to choose Oriflame lipstick due to halal commitment and halal reassurance. For the last indicator on halal brand satisfaction, indicator 3 “Overall, I am satisfied with Oriflame lipstick because of my halal concerns” 57.9% of the respondents agreed with the statement. This can be interpreted that the respondent was satisfied by choosing oriflame lipstick because of the halal assurance offered by Oriflame, also shows the respondent's confidence level with oriflame halal lipstick.



#### 4. Respondent Answer Result Regarding Halal Brand Loyalty (X4)

Halal Brand Loyalty (X4) has four indicators. Table 4.7 shown the respondents distribution answer regarding each of the indicator.

**Table 4.7 Respondents Distribution on Halal Brand Loyalty (X4)**

No	Indicators	Rating					Total
		SD	D	N	A	SA	
1	I prefer Oriflame lipstick than other halal lipstick brands	4%	28.7%	23.8%	38.1%	4.5%	100%
2	I intend to buy Oriflame lipstick in my next purchase	3%	16.8%	24.8%	49%	5.4%	100%
3	I will recommend Oriflame lipstick to others (e.g. friends, family)	0.5%	8.9%	32.2%	51%	6.4%	100%
4	I intend to pay even more for Oriflame lipstick than for other halal lipstick brands	2.5%	31.2%	24.8%	35.6%	5%	100%

(Source: Data Processed by Researcher. Appendix 5, 2019)

Based on Table 4.7, for the indicator 1 "I prefer Oriflame lipstick than other halal lipstick brands" respondents agreed with the statement with the percentage of 38.1%. Even though the percentage does not reach 50%, it can be said that the respondents still chose Oriflame lipstick compared to other halal lipsticks even though the level of confidence was not too high. Indicator 2 "I intend to buy Oriflame lipstick in my next purchase" respondent's agreed with the statement with the percentage of 49%. This statement means that the respondent has the intention to buy Oriflame in their lipstick next purchase, and they could becoming Oriflame's potential consumer.

Indicator 3 “I will recommend Oriflame lipstick to others (e.g. friends, family)” respondents mainly agreed with the statement with the percentage of 51%. It indicates that respondents will have the intensity to recommend oriflame products to friends, or family as a form of their loyalty to halal lipstick.

Indicator 4 "I intend to pay even more for Oriflame lipsticks than for other halal lipstick brands" there is a slight difference between 'agree' 35.6% and 'disagree' 31.2% with this statement, with a difference 4.4% which could mean that Oriflame lipstick is considered as the respondent's main choice in buying halal lipstick, although there are still a large number of respondents who think that Oriflame is not their main choice with assumptions there are still products that provide the same value but as with a cheaper price compared to Oriflame lipstick.

## 5. Respondent Answer Result Regarding Purchase Intention (Y)

Purchase Intention (Y) has three indicators. Table 4.8 shown the respondents distribution answer regarding each of the indicator.

**Table 4.8 Respondents Distribution on Purchase Intention (Y)**

No	Indicators	Rating					Total
		SD	D	N	A	SA	
1	I will buy Oriflame lipstick in the near future	0.5%	7.9%	27.7%	56.4%	6.4%	100%
2	Whenever i intend to buy halal lipstick, probably i will purchase Oriflame lipstick	1%	20.3%	31.2%	40.6%	5.9%	100%

**Table 4.8 Repondents Distribution on Purchase Intention (Y) Continued**

3	Oriflame lipstick is the main choice in buying halal lipstick compared to other halal lipstick brands	2%	26.7%	26.2%	40.1%	4%	100%
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(Source: Data Processed by Researcher. Appendix 5, 2019)

Based on Table 4.8, indicator 1 “I will buy Oriflame lipstick in the near future” 56.4% of respondents ‘agreed’ with the statement. It indicates that respondent are interested with Oriflame lipstick and respondents assume that the quality possessed by Oriflame would be in accordance with the expectations expected by consumers. As for Indicator 2 “Whenever i intend to buy halal lipstick, probably i will purchase Oriflame lipstick” 40.6% of respondents ‘agreed’ with the statement, which conclude the fact that although the percentage rate is low, Oriflame lipstick is still considered by the respondent when compared to other brands of halal lipstick. The last indicator, indicator 3 “Oriflame lipstick is the main choice in buying halal lipstick compared to other halal lipstick brands” 40.1% of respondents agreed with the statement. The percentage obtained for indicator 3 is relatively low, because it does not reach 50%, as the remaining 26.7% of respondents ‘disagree’ with the statement.

## D. The Result of Quantitative Analysis

Quantitative analysis is a way of processing the data which being calculated using the systematic analysis. This study used a multiple linear regression to check the strength of the relationship between the independent variable and the dependent variable.

### 1. Multiple Linear Regression Analysis

The regression analysis is being calculated using IBM SPSS Statistic version 25, after the result is revealed then the research will proceed to calculations of the multiple regression equation as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

Explanation:

**Y** = Purchase Intention

**a** = Constants

**b (1,2,3,4)** = Regression coefficient

**X<sub>1</sub>** = Halal Brand Image

**X<sub>2</sub>** = Halal Brand Trust

**X<sub>3</sub>** = Halal Brand Satisfaction

**X<sub>4</sub>** = Halal Brand Loyalty

**e** = Standard error

Table 4.9 shown the multiple regression analysis result based on SPSS Statistic version 25.

**Table 4.9 Multiple Regression Analysis Result**

<b>Coefficients<sup>a</sup></b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.220	.674		1.809	.072
	Halal_Brand_Image	.084	.071	.078	1.182	.239
	Halal_Brand_Trust	.005	.066	.005	.076	.940
	Halal_Brand_Satisfaction	.201	.089	.169	2.268	.024
	Halal_Brand_Loyalty	.439	.057	.617	7.659	.000
a. Dependent Variable: Purchase_Intention						

(Source: Data Processed by Researcher. Appendix 8, 2019)

Based on the result of regression test in table 4.9, hence the regression equation for this research is as follows:

$$Y = 0.078 X_1 + 0.005 X_2 + 0.169 X_3 + 0.617 X_4$$

Interpretation of the results of this regression test is the coefficient of halal brand image (X1) is 0.078. This indicates if the better the management of halal brand image on halal lipstick in general on the market, the more it will affect the purchase intention of Oriflame lipstick by 7.80%. The coefficient is positive, but the value is relatively small, it can be said that there is no significant effect of halal brand image on the purchase intention of lipstick oriflame.

The halal brand trust coefficient (X2) is 0.005. This could be interpreted that the higher the respondent's level of trust in the halal lipstick market, the more it will affect the purchase intention of Oriflame lipstick by 0.50%. The coefficient is positive, but the value is relatively small, it can be said that there is no significant effect of halal brand image on the purchase intention of lipstick oriflame.

The halal brand satisfaction coefficient (X3) is 0.169. The coefficient is positive, meaning there is an unidirectional relationship between the halal brand satisfaction and purchase intention of Oriflame lipstick. When customers are satisfied, they show interest on other products that are perceived to have the same value or quality, which can be interpreted if the respondents were more satisfied with the quality of halal lipstick on the market, the more it will affect the purchase intention of Oriflame halal lipstick by 16.90%.

The halal brand loyalty coefficient (X4) is 0.617. The coefficient is positive, meaning there is a unidirectional relationship between the halal brand loyalty and the purchase intention of Oriflame lipstick. Brand loyalty is a commitment that promises consumers will repurchase their favorable brands in the future, and they will not change their loyalty under any circumstance. In this case, the more loyal respondent to halal lipstick, the more it will affect the purchase intention of Oriflame halal lipstick by 61.70%

## E. Hypothesis Test

### 1. T Test

T test is conducted to discover significant effect of each independent variable on dependent variable in a partial way. In calculating the t-test, several criteria should be met:

1. Determine the hypothesis formulation.
  - $H_0$  : variables  $X_1, X_2, X_3, X_4$  do not have partially significant effect on variable Y.
  - $H_a$  : variables  $X_1, X_2, X_3, X_4$  have influence which is partially significant for variable Y.
2. Determine the 95% of confidence level ( $\alpha = 0,05$ ).
3. Determining significance.
  - Significance value  $< 0.05$  then  $H_0$  is rejected and  $H_a$  is accepted, which indicates independent variable have partially significant affect on dependent variable.
  - Significance value  $> 0.05$  then  $H_0$  is accepted and  $H_a$  is rejected, which indicates independent variable does not have partially significant affect on dependent variables.
4. Determine the degree of freedom ( $df = n-k-1$ .  $Df = 200 - 4 - 1 = 195$ ).  
 Acquired t table value ( $0.05; 195$ ) = 1.645. With the criteria:
  - T count  $>$  t table then the hypothesis is accepted.
  - T count  $<$  t table then the hypothesis is denied.

Table 4.10 shown the result of the calculation of t test which have been calculated with SPSS version 25.

**Table 4.10 Results of T-test**

<b>Hypothesis</b>	<b>T</b>	<b>T Table</b>	<b>Sig.</b>	<b>Information</b>
<b>H1:</b> Halal brand image has a positive and significant effect to purchase intention on Oriflame lipstick	1.182	1.645	0.239	Denied (T count < t table, sig. > 0.05)
<b>H2:</b> Halal brand trust has a positive and significant effect to purchase intention on Oriflame lipstick	0.076	1.645	0.940	Denied (T count < t table, sig. > 0.05)
<b>H3:</b> Halal brand satisfaction has a positive and significant effect to purchase intention on Oriflame lipstick	2.268	1.645	0.024	Accepted (T count > t table, Sig. < 0.05)
<b>H4:</b> Halal brand loyalty has a positive and significant effect to purchase intention on Oriflame lipstick	7.659	1.645	0.000	Accepted (T count > t table, Sig. < 0.05)

(Source: Data Processed by Researcher. Appendix 8, 2019)

Based on table 4.10, for hypothesis 1, t value on halal brand trust is  $1.182 < 1.652$  with the significance level of  $0.239 > 0.05$  which mean  $H_0$  is accepted, and  $H_a$  is denied. This indicates hypothesis 1 is denied, which conclude the fact that halal brand image (X1) does not have partially significance influence toward purchase intention (Y).



As for hypothesis 2, t value on halal brand trust is  $0.076 < 1.652$  with the significance level of  $0.940 > 0.05$  which mean  $H_0$  is accepted, and  $H_a$  is denied. This indicates that hypothesis 2 is denied, so is hypothesis 1. The results could be interpreted that halal brand trust does not have partially significant influence towards purchase intention (Y).

Hypothesis 3, t value on halal brand loyalty is  $2.268 > 1.652$  with the significance level of  $0.024 < 0.05$  which mean  $H_a$  is accepted. This conclude that there is a partially significant effect from halal brand satisfaction to purchase intention. Finally, for hypothesis 4, the significance level is 0.000 which mean  $H_a$  is accepted. It indicates that there is a partially significant effect from halal brand satisfaction to purchase intention.

## 2. Fisher Test

The F test is used to determine whether there is influence between independent variables and dependent variable by using Fisher test with value ( $\alpha = 5\%$ ) using degree of freedom (df). In calculating the F test, several criteria should be met:

1. Determine the hypothesis formulation.
  - $H_0$  : variables  $X_1, X_2, X_3, X_4$  do not have simultaneous significant effect on variable Y.
  - $H_a$  : variables  $X_1, X_2, X_3, X_4$  have simultaneous significant effect on variable Y.
2. Determine the 95% of confidence level ( $\alpha = 0,05$ ).

3. Determine the significance.

- Significance value  $< 0,05$  then  $H_0$  is rejected  $H_a$  is accepted, which indicates independent variables simultaneously affect dependent variable.
- Significance value  $> 0,05$  then  $H_0$  is accepted and  $H_a$  is rejected, which indicates independent variables simultaneously does not affect dependent variable.

Table 4.11 shown the result of the calculation of F test which have been calculated with SPSS version 25.

**Table 4.11 Fisher Test Results**

ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	688.154	4	172.039	102.835	.000 <sup>b</sup>
	Residual	326.226	195	1.673		
	Total	1014.380	199			
a. Dependent Variable: Purchase_Intention						
b. Predictors: (Constant), Halal_Brand_Satisfaction, Halal_Brand_Image, Halal_Brand_Trust, Halal_Brand_Loyalty						

(Source: Data Processed by Researcher. Appendix 8, 2019)

Based on table 4.11, the value of f count is 102.385 and the level of significance is  $0.000 < 0.050$ . Therefore,  $H_a$  is accepted. This indicates that independent variables have a simultaneously significant effect to dependent variable. According to the fisher test results, it can be concluded that **halal brand image, halal brand trust, halal brand satisfaction, and halal brand loyalty simultaneously affect the purchase intention of Oriflame lipstick.**

### 3. Coefficient of Determination ( $R^2$ )

The coefficient of determination ( $R^2$ ) basically measures the ability of the model to explain variations in independent variables. The coefficient of determination is between 0 and 1. The small value of  $R^2$  indicate the ability of independent variables to explain variations in the dependent variable is very limited. If the value of  $R^2$  is close to one, it means that the independent variables provide almost all of the information needed to predict variations in the dependent variable. Table 4.12 provides the results of Coefficients of Determination ( $R^2$ ).

**Table 4.12 Results of Coefficients of Determination ( $R^2$ )**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.824 <sup>a</sup>	.678	.672	1.29343
a. Predictors: (Constant), Halal_Brand_Satisfaction, Halal_Brand_Image, Halal_Brand_Trust, Halal_Brand_Loyalty				

(Source: Data Processed by Researcher. Appendix 8, 2019)

Based on the results of the analysis in table 4.12, it can be seen the value of the correlation coefficient is 0.824. This indicates the influence of the independent variable engagement of halal brand image, halal brand trust, halal brand satisfaction and halal brand loyalty on the dependent variable as much as 82.4 %. According to table 4.12, another important value is the value of  $R^2$  at 0.678. It means that 67.80% of purchase intention variable can be explained by the 4 independent variables which are halal brand image, halal brand trust, halal brand satisfaction and halal brand loyalty. The remaining 32.2% is explained by the other variables which is not examined in the research.

## **F. Discussion**

Based on the analysis test which being conducted, it can be concluded:

### **1. Qualitative Result Analysis**

- a. Based on the hypothesis test that has been done, it is concluded that hypothesis 1 is rejected. The lowest positive indicator for halal brand image (X1) based on table 4.4 is the third indicator. Respondents chose to use halal cosmetics because of the Islamic thought they believed in, while in the third indicator "Oriflame lipstick is the best benchmark of halal commitment", 31.20% of respondents chose neutral, and 21.30% chose disagree. Followed by indicator 2 "Oriflame lipstick addresses all my halal concern" with 27.70% of respondents chose neutral, and 8.40% chose disagree. This indicates even though respondents have Islamic thought that underlies their commitment to use halal lipstick, in fact it was not enough to influence the purchase intention of Oriflame halal lipstick.

On the other side, the highest positive statement is the first indicator "Oriflame lipstick is well reputed among halal lipstick brands" with percentage of 57.40% for agree and 7.40% for strongly agree. Based on the information above, it indicates that even though respondents agree with the fact that Oriflame is well-reputed among halal lipstick brands, but respondents did not consider the Oriflame lipstick as their benchmark in choosing halal lipstick. Researcher believe if Oriflame is able to improve their halal brand image in the Indonesian cosmetics market, especially in Bandar Lampung, Oriflame can use this to get a bigger market. Plus, the cosmetics market is growing every year, and the trend of halal cosmetics is being intensified.

By increasing consumer awareness of the existence of Oriflame halal lipstick, this might encourage a significant positive influence on consumers' purchase intentions but it must also be balanced with consistently good product quality.

- b. As for halal brand trust (X2) in which the hypothesis 2 is also rejected, the lowest positive indicator is the the fourth indicator “Oriflame lipstick is an honest brand” with the percentage of agree for 55%, and 34.70% for neutral. This results showed that even though most of the respondents agree with the statement that Oriflame is an honest brand, 34.70% are still not sure with it. On the contradictory, the highest positive statement is from indicator 3 “I could rely on Oriflame lipstick as a halal lipstick” with the percentage of agree for 61.40%, and the other 25.70% are neutral with the statement.

The results could be interpreted that even though they consider Oriflame lipstick to be reliable, in fact there are still many respondents who doubt that oriflame lipstick as halal lipstick, this is indicated by the low percentage level of confidence for Oriflame lipstick that does not touch more than 62%. From 200 respondents, 80.70% of respondents use halal cosmetic products due to guaranteed quality and safety. In fact, there are still many percentages of respondents who choose neutral for the brand trust indicators. This indicates that the respondent's level of confidence in the quality and security guaranteed offered by oriflame is still quite low.

Respondents' low trust in oriflame lipstick can be influenced by various reasons, one of the reason is the country of Oriflame's origin, which is Swedish, that makes respondents may still unsure about Oriflame lipstick, while halal lipstick market in Indonesia is dominated by local products. Oriflame can increase the halal brand trust by intensely advertising about their halal lipstick, so that the level of trust will increase and will significantly affect the purchase intention.

- c. Based on the result of qualitative test analysis, for halal brand satisfaction (X3) the highest positive indicator is indicator 3 "Overall, I am satisfied with Oriflame lipstick because of my halal concern" with the percentage of agree for 57.90%, meanwhile indicator 2 "I believe that purchasing Oriflame lipstick is right because of its halal assurance" 55% respondents mainly agree and indicator 1 "I am happy about the decision to choose Oriflame lipstick because of its halal commitment" 52.50% respondents agree with the statement. This indicates that the positive halal brand satisfaction for halal lipstick in general will lead to a positive purchase intention.
- d. Halal brand loyalty (X4) the highest positive indicator is indicator 3 "I will recommend Oriflame lipstick to others (e.g. friends, family)" with the percentage of agree for 51%. Although 31.20% respondents disagree to pay even more for Oriflame than for other halal lipstick brands as stated in indicator 4 in table 4.6.

## 2. Hypothesis Analysis Result

- a. The first hypothesis (H1) “halal brand image has significant and a positive effect to purchase intention on Oriflame lipstick” is denied. It is supported by Table 4.11, which has shown t count of halal brand image is  $1.182 < t \text{ table } 1.652$  with significance level of  $0.239 > 0.05$ . The result has shown that halal brand image has a positive effect but not significantly influence the purchase intention. This is in contrast to previous theories and studies which suggested that halal brand image has a positive and significant effect towards purchase intention conducted by Ali *et.al* (2018) and Kwandy (2017).

Direction of regression coefficients showed that the higher the value of halal brand image, the higher customer intention to purchase Oriflame lipstick would be. In fact, this was not proven in this study, as it is found that the reasons for respondents to use halal cosmetics are based on the guarantee of quality and safety offered by halal cosmetics at 80.70% compared to Islamic thinking which only reaches 10.90%. Although some 10.90% of respondents chose halal lipstick because of the Islamic thought they believed in, in reality the halal brand image from Oriflame lipstick was not enough to influence the purchase intention of Oriflame lipstick. The rejected hypothesis can be interpreted:

- The level of halal brand image in the lipstick market alone is not a significant factor to influence the purchase intention of Oriflame lipstick. One reason could be that the powerful image of Oriflame brand is not mainly based on halal brand image,

another factors such as quality, price, and preferences of each respondent become an important factor that affects purchase intention.

- Another important factor that might influence the insignificant effect is the level of Islamic religiosity of the respondent which also influenced by perceived behavioral control. The low Islamic religiosity levels from respondents who may not be fully committed to halal products, as they prefer to use halal cosmetics based on the guaranteed of the quality provided by halal cosmetics, coupled with a low level of motivation to maintain the use of halal products, and the level of attitude towards the Oriflame halal lipstick products may affect the insignificant level of halal brand image on the purchase intention of Oriflame lipstick.

The finding of this research was supported by several previous studies, such as Phing Li (2017), Lu, Y.C, and Chen, K.N (2017) which stated that the brand image had no significant effect on cosmetic purchase intentions, but other factors that can encourage the influence of significant purchase intentions include consumer knowledge of cosmetics and their cosmetic buying behavior.

- b. The second hypothesis (H2) “Halal brand trust has significant and a positive effect to purchase intention on Oriflame lipstick” is denied. It is supported by Table 4.11, which has shown t count of halal brand trust is  $0.076 < t \text{ table } 1.652$  with significance level of  $0.940 > 0.05$ . The result has shown that halal brand trust has a positive effect but not significantly influence the purchase intention.



Although all respondents use halal cosmetics and 80.70% respondents assume that halal cosmetics will provide guaranteed quality and safety, in fact their belief about the quality and safety of halal lipstick does not significantly influence Oriflame's halal lipstick purchase intention. This research result is contradictory with previous research conducted by Ali *et.al* (2018) which stated that halal brand trust significantly influence consumer halal brand purchase intention. Direction of regression coefficients showed that the higher the value of halal brand trust, the higher customer intention to purchase Oriflame lipstick would be. In fact, hypotheses 1 and 2 are not proven to have a significant and positive effect on purchase intention in this research. The weak influence of halal brand trust on Oriflame halal lipstick purchase intentions can be influenced by:

- A variety of factors, including the availability of competitor products with good quality but at lower prices.
- Compatibility of products with consumers 'tastes (packaging, colors, ingredients) especially for lipstick color matching, as color itself has becoming a major factor for consumers to choose a lipstick product, and competitors' products that has halal lipstick with a better brand image.

Findings in this study is in accordance with Toklu and Kucuk (2017) which found that brand trust is an insignificant factors in influencing purchase intention.

- c. Hypothesis 3 (H3) “Halal brand satisfaction has a positive and significant effect to purchase intention on Oriflame lipstick” is supported. This result is supported by the information in table 4.10, which has shown t count of halal brand satisfaction is  $2.268 > t \text{ table } 1.652$  with significance level of  $0.024 < 0.05$ . The result has shown that halal brand satisfaction variable positively and significantly influences the purchase intention. This hypothesis is in accordance with the previous research conducted by Ali *et.al* (2018) which stated that halal brand satisfaction has a significant and positive influence towards consumer halal brand purchase intention. The regression coefficients result showed that the higher value of halal brand satisfaction, the higher purchase intention will be influenced. This is in accordance with the results in this research, as customer consumers who are satisfied with the quality of halal lipstick in general will have a tendency to buy Oriflame lipstick, because the level of customer satisfaction with halal lipstick quality and the assumption that Oriflame halal lipstick will provide the same good quality and as an indicator to address the respondent's halal concern issues.
- d. Fourth hypothesis (H4) “Halal brand loyalty has a significant and positive effect to purchase intention on Oriflame” is supported. This result is supported by the information in table 4.10, which has shown t count of halal brand loyalty is  $7.659 > t \text{ table } 1.652$  with significance level of  $0.000 < 0.05$ . The result has shown that halal brand loyalty variable positively and significantly influences the purchase intention.

In this study, brand loyalty is proven to have the positive and significant influence on purchase intention, which is in accordance with previous research conducted by Hameed & Kanwal (2018), Heidarzadeh & Andervazh (2019), and Ali *et.al* (2018) which stated that halal brand loyalty has a significant and positive influence towards consumer halal brand purchase intention. Factors that could affect the acceptance of this hypothesis:

- Brand loyalty is important for a business to ensure that its product is kept in the minds of consumers and prevent them from switching to other brands. This could be interpreted that if customer is loyal to halal lipstick brands, they will tend to purchase Oriflame lipstick, as a form of their loyalty and halal commitment. These portion of respondents could be Oriflame's potential loyal customer.

## **V. CONCLUSSION AND SUGGESTION**

### **A. Conclusion**

Halal products are in great demand since consumers are very concern about the concept of halalan toyyiban in recent era. Especially in Indonesia, with the majority of the mosleem population reaching 87%. Halal awareness among mosleem has widened from being concerned with meat-based products, to a wide range of products such as pharmaceuticals, cosmetics, personal care, insurance, travel, and even entertainment. The demand for halal cosmetics is continuously growing, as consumer want to expand their awareness of cosmetics while remaining loyal to Islamic values.

The size of the Muslim population in Indonesia contributes to the growth of halal cosmetics business especially for Bandar Lampung's cosmetics consumer. This is because Muslim consumers are the fastest growing segment of the market, where the level of concern for halal good to be consumed is tend to be high. According to the trends, it is important for marketers to know the factors that influence the purchase intention of halal cosmetics in Indonesia.

This research aims to investigate the effect of halal branding dimension to purchase intention on Oriflame lipstick. Based on the analysis which have been discussed in the previous chapter, the Author draws several conclusions as follows:

1. The first hypothesis (H1) “Halal brand image has a positive and significant effect towards purchase intention on Oriflame lipstick” is denied.
2. The second hypothesis (H2) “Halal brand trust has a positive and significant effect towards purchase intention on Oriflame lipstick” is denied.
3. The third hypothesis (H3) “Halal brand satisfactiob has a positive and significant effect towards purchase intention on Oriflame lipstick” is accepted.
4. The fourth hypothesis (H4) “Halal brand loyalty has a positive and significant effect towards purchase intention on Oriflame lipstick” is accepted.

The findings have significant implications which may help the marketers to develop suitable strategies for halal brands, especially Oriflame lipstick and its purchasing. With the rise of mosleem population and halal products demand, consumers nowadays are more willing to purchase products which are halal. This implies that ignoring the important quality elements of a brand could be costly to Oriflame if they failed to realise the importance of traditional brands attribute whilst embracing halal brand marketing initiatives. In addition, it can help Oriflame to target new segments and implement effective marketing based halal communication strategies.

## **B. Suggestion**

### **1. For Practitioner**

- a. The regression coefficient of halal brand trust (X2) is the lowest among all of the variables with value of 0.005 which proven to have an insignificant effect toward purchase intention with the lowest positive indicator from statement 4 “Oriflame lipstick is an honest brand” by 61.40%. This low percentage of trust towards Oriflame might be caused by the absence of Oriflame store in Bandar Lampung, as Oriflame does not have an official store in Bandar Lampung. This is because Oriflame in Bandar Lampung rely solely on the multi level marketing system. The absence of this official store will certainly affect consumer confidence in Oriflame products which affect the purchase intention. Consumers may face difficulties when they are looking for the product they want, and the existence of Oriflame stores in strategic locations will increase consumer trust as they can try and see directly if it suits their needs as women are very sensitive in term of beauty because they have to adjust it with their skin type.

The second lowest positive indicator is from statement “I could rely on Oriflame lipstick as a halal lipstick” by 67.80%. When a product’s actual reliability performance exceeds the customers expected reliability performance, the customer may consider the product reliable. In this case, respondents did not fully assume Oriflame lipstick to be reliable.

Brand in this discussion is the customer's perception of a company's product line. This includes more than just the actual or perceived reliability, as it may include a wide range of associations (I.e. Thoughts, feelings, perceptions, images, experiences, beliefs, attitudes). These are some recommendation that can be given to Oriflame and maybe useful for their marketing strategy in order to increase the halal brand trust. Clear labelling and details of ingredients will increase brand trust. Creating videos, images, apps that will certainly be more attractive to create the intention of customers to buy the product about Oriflame both offline and online with emphasis on halal factors to restore customer confidence that Oriflame products complies with Islamic law, so that consumer perceptions of Oriflame halal lipstick will increase. Especially for Oriflame halal lipstick which can be said to have lack of advertising.

- b. The regression coefficient of halal brand image (X1) is relatively small with value of 0.078, and proven to have insignificant effect toward purchase intention. The results showed that indicator 3 "Oriflame lipstick is the best benchmark of halal commitment" from halal brand image (X1) have the lowest positive statement by 45%. Even though the overall response to the halal brand image is quite good, in fact this has proved to be insignificant in influencing the purchase intention of Oriflame lipstick. The second lowest positive indicator is "Oriflame lipstick addresses all my halal concern" with value of 62.30%. In order to increase the brand image which in the end will significantly effect the purchase intention, several factors like price, design, and product quality appear to be the main

indicators of brand image in the cosmetics industry. A reasonable price boosts the image of cosmetic products from customers' perspective as Oriflame lipstick prices can be said to be expensive, with a range between IDR 120.000 - 130.00, while other halal lipstick competitors such as Wardah only start from IDR 45.000 – 116.000, and Pixy only around IDR 30.000 – 50.000, with the same quality. On the other hand, Oriflame must have a strong strategy to train resellers in order to attract customers. The more customers get more information the more they are interested. Oriflame also have to pay more attention and increase the halal brand image to maintain good reputation of their product by doing various advertising through media (online or offline) with mosleem representative figure for endorsing Oriflame lipstick which may facilitate Oriflame in attracting the market segment, since young mosleem as most of the respondents in this research are found to be more conscious on their social status. Improvement in the design and appearance of Oriflame lipstick also very important in shaping and enhancing the halal brand image. The author also believe the quality of Oriflame lipstick plays a key role in raising the image of the brand which in the end increases customers' purchase intention.

- c. The regression coefficient of halal brand satisfaction (H3) is 0.169 and proven to have a positive and significant effect towards Oriflame lipstick purchase intention. The lowest indicator is “I am happy about the decision to choose Oriflame lipstick because of its halal commitment” with value of 57% and “I believe that purchasing Oriflame lipstick is the right decision because of its halal assurance” with value of



59.50%. In order to maintain customer satisfaction, the improvement in product quality must always be done. Providing new value added products continuously which represent beauty good that is not only conform to Islamic laws, yet in harmony with ethical and animal welfare concerns. It is also advisable to give a tester for individual consultants or resellers to avoid consumer disappointment as it is difficult for women to choose products if they cannot try and do not know if the product can fit with their expectation or not. Halal assurance and halal certificates that are always maintain will contribute to customer satisfaction, which in the end is expected to becoming Oriflame's loyal customer.

- d. The regression coefficient of halal brand loyalty (X4) is 0.617 and proven to have a positive and significant effect toward purchase intention. Understanding the concept of loyalty helps companies better manage customer relationship management in order to create long-term investment and profitability. Based on the respondent's answer distribution, the lowest indicator was "Intend to pay even more for Oriflame lipsticks than for other halal lipstick brands" with a value of 40.60%. Followed by the indicator "I prefer Oriflame lipstick than other halal lipstick brands" with a value of 42.60%.

In order to maintain loyalty, communication messages regarding perceptions of Oriflame quality in accordance with the concept of halal and conformity with Islamic Sharia is important, but in fact the formation of the Islamic personality of a brand gives a higher effect on consumer loyalty.

The formation of the Islamic personality of a brand will affect the brand's consumer loyalty to the brand. Therefore, for brand to increase the consumer loyalty, the brand needs to consistently reinforce the marketing communication message that communicates not only the halal claims of the product but the most important message is the communication message that reflects the Islamic values and personality. It is also recommended that Oriflame should engage customer interaction by creating a section where customers can share their opinions and talk about their issues when buying Oriflame lipstick, and Oriflame will get a valuable feedback for their products. As a market follower in the Indonesian lipstick market, it is important for Oriflame to pay attention to several things, including paying attention to Wardah's competitive advantage as the market leader. Oriflame must be able to see value added offered by Wardah to its consumers, then try to adapt or improve these products so they can compete with Wardah and develop as future market challengers in the Indonesian lipstick market.

## **2. For Researcher**

### **a. Research Object**

This research was conducted with Oriflame lipstick as research object, therefore there might be a different result if research is conducted with the other cosmetics brands or Islamic brand from other industries or in other countries.

### **b. Sample**

The sample in this research is limited to only female consumer in Bandar Lampung. Future research can choose other regions with wider consumer

coverage, so the answers will be more varied. Besides, the sample in this study was only 200 people, so it was recommended to add samples for more accurate data. The majority of the respondents in this research is student, therefore, it is recommended to focus on sample which fulfills the criteria to discover more information and in order to elaborate this topic even further.

**c. Other Variables**

It is highly recommended for future research to expand the span of attributes that affects purchase intention as this study only considered halal brand trust, halal brand image, halal brand loyalty and halal brand satisfaction. The insignificant effect of halal brand trust, and halal brand loyalty towards purchase intention could be cause because this research did not restrict the price and perceived quality of Oriflame lipstick. There might be other factors that should be considered, for instance, Islamic religiosity, and moral obligation in order to get an in depth and more clear picture about its effect on purchase intention.

**d. Re-reseach**

Further studies are needed to re-research the halal brand image and halal brand trust variables. This is because the author in this research has not found sufficient evidence to prove if halal brand image and halal brand trust to have significant influence toward Oriflame purchase intention. Thus, further research will help to prove whether halal brand image and halal brand trust on particular companies really does not have significant influence or not.

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