





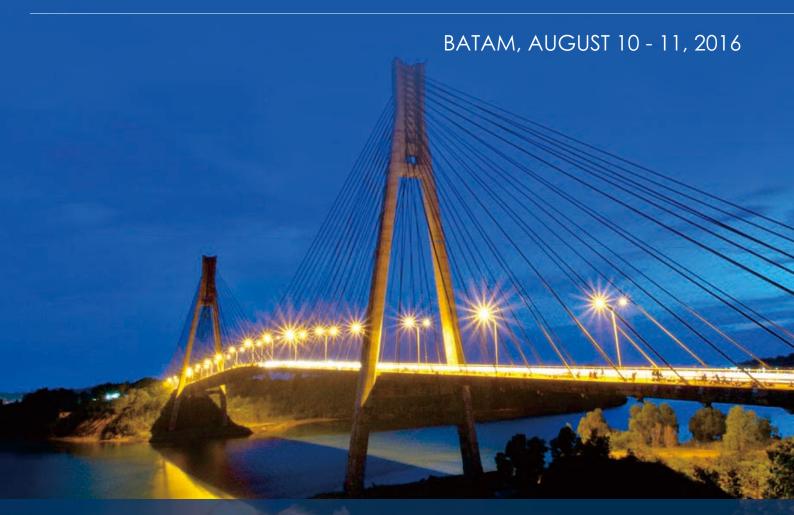






# PROCEEDING ICIEMABS 2016

INTERNATIONAL CONFERENCE ON ISLAMIC ECONOMICS, MANAGEMENT, ACCOUNTING, BUSINESS AND SOCIAL SCIENCES



ISBN: 978-602-74942-0-6

# **PREFACE**

Due to vulnerable fundamentals, most countries worldwide suffer economic turbulences. Developing countries, however, endure the worse as they yet to adequately patronize their economy withstanding global market schemes. That vulnerability leads to increased rate of structural poverty and the widening gap between the rich and the poor in most developing countries. Furthermore, with the global free trade schemes and more dynamic commodity as well as stock markets numerous private-owned companies are in IPO which in turn impede their business performance more often than not because of its unpredicted dynamism.

Besides, developing countries count on foreign loans in which conditions imposed on loans are not on the consumption of production activities, but to back up developed countries' economy. Hence, such foreign loans also drive developing countries to the long term negative impacts of liberal economy with the spread of poverty, the gap between the rich and the poor, economic inequality, exploitation of resources (both natural and mineral), as well as environmental and social calamities.

Islam as a perfect way of life offers a unique system to solve problems in life including economic problems. For Muslims, the system is not only a way out, but also an integral part of their life purpose. This conference is expected to elucidate eloquently its application to solve a global economic problem.

# TITLE OF THE EVENT

"INTERNATIONAL CONFERENE ON ISLAMIC ECONOMIC, MANAGEMENT, ACCOUNTING, BUSINESS AND SOCIAL SCIENCES (ICIEMABS 2016)"

#### THEME OF THE EVENT

"The Future of Islamic Based Economic and Business Facing The New Era of Islamic Civilization"

#### **OBJECTIVES:**

- 1. Understanding the Philosophy and the anatomy of Islamic Economic System.
- 2. Explaining to the participants about the Riba Economic System.
- 3. Explain to participants how the economic system based on usury was able to damage a country economic order.
- 4. Describes how the behavior of Muslims in a Shariah-based business activities at the time of the Prophet.
- 5. Explain the role of comparison BaitulMaal and the Bank.
- 6. Understanding the role of Islamic banks and financial institutions in serving the Muslim Community's request.
- 7. Participants understand that the Islamic banking and Finance System cannot be implemented perfectly in a country that does not implement Islamic Sharia in the cafe.

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# Dean, Faculty of Economic and Business Universitas Padjadjaran, Bandung-Indonesia

Bismillahirrahmanirrahim.

Assalaamu'alaikum warahmatullahi Wabarakatuh and a very good day to all,

First of all, I would like to warmly welcome all participants to this important event, *International Conference on Islamic Economics, Management, Accounting, Business and Social Sciences (ICIEMABS 2016)* in Batam, Indonesia.

The theme of this conference is "The Future of Islam-Based Economics and Business facing The New era of Islamic Civilization". It reminds us that Islamic Economics as an alternate way offers a unique system to solve problems in life including economic problems. For Muslims, the system is not only a way out, but also an integral part of their life purpose. This conference is expected to elucidate



eloquently its application to solve global economics problem. Moreover, we hope that this conference will contribute to increase Islamic Economics, Management, Accounting, Business and Social Science knowledge as an effort to improve the quality of human resources for all.

We greatly appreciate the honor in organizing this conference together with our partners such as STIE Ibnu Sina and APTISI. Historically, Faculty of Economics and Business Universitas Padjadjaran was established in 1957. It turned into Faculty of Economics and Business (FEB) Universitas Padjadjaran (Unpad) in 2011. FEB UNPAD focuses its studies on Economics, Accounting and Management. Furthermore, as the growth of Islamic economics and finance, FEB UNPAD made an improvement by providing a study program in Islamic Economics. Students later may choose their concentration from Islamic Banking, Syariah Accounting, and Islamic Development Economics. By this event, hopefully students, academicians, and society will have more understanding on Islamic economics foundation.

Through this conference, hopefully, we would be able to provide the impetus for more intensified research to be done benefiting all stakeholders. Also, it seeks to provide platform for sharing research ideas on Islamic economics, Management, Accounting, Business and social sciences issues.

In closing this speech, I strongly hope that this conference will meet its objectives and will continue as annual event. I would like to express my sincere thanks to all who have given strong support for the success of this event. Viva Academia.

Wassalamu'alaikum Warahmatullahi Wabarakatuh.

Regards,

Dean, Faculty of Economics and Business Universitas Padjadjaran, Bandung - Indonesia Nury Effendi, S.E., M.A., Ph.D

E-mail: nury.effendi@fe.unpad.ac.id

# **Director of Ibnu Sina Economics College** (Co-Host of ICIEMABS)

Bismillahirrahmanirrahim.

Assalaamu'alaikum warahmatullahi Wabarakatuh

Warm welcome to all presenter and participants of the first *International Conference on Islamic Activities, Economics, Management, Accounting, Business and Social Sciences (ICIEMABS) 2016* "The Future of Islam-Based Economics and Business facing The New era of Islamic Civilization". Special thanks to Doctorate Program of Science in Management, Faculty of Economics and Business, Universitas Padjadjaran Bandung – Indonesia for being a great host and indeed we treasure the warm hospitality received.

Ibnu Sina Foundation is strongly committed to develop education in Riau Island Province. Ibnu Sina Economics College is the oldest education institution and one of the big higher education institution in Batam, Indonesia. ICIEMABS 2016 objectives to discuss how to develope Islamic Economics, both theoretically and practically. We consider Islamic Economics can solve various problematic economy.

I believe this conference is an important milestone in the research and development effort on islamic activities, economics, management, accounting, business and social issues todays. Through research, a new or value-added knowledge will be acquired.

Thank you very much to Doctorate Program in Management, Faculty of Economics and Business Universitas Padjadjaran has trusted us as a local partner in ICIEMABS 2016 held in Batam, Indonesia. I strongly hope this conference will meet its objectives and will continue as yearly event. Viva ICIEMABS!

Wabillahi Taufiq walhidayah,

Wassalamu'alaikum Warahmatullahi Wabarakatuh.

Kind regards,

Dr. Mustaqiem

Director of Ibnu Sina Economics College

Assalaamu'alaikum Warahmatullahi Wabarakatuh

Dear Delegates,

Welcome to the wonderful city of Batam which represents the national motto of "Bhinneka Tunggal Ika" (Unity in Diversity).

The International Conference on Islamic Economics, Management, Accounting, Business and Social Sience (ICIEMABS) is held for the first time at Swill Bell Hotel, Batam. This conference is organized by Faculty of Economics and Business, Universitas Padjadjaran in cooperating with the STIE Ibnu Sina and Association of Private Higher Education, the Regional of Riau Islands Province, Indonesia. This conference is intercultural and inter-professional event that invites academics, researchers, practitioners, students who interested in the field of economics, management and business in Islamic perspective.

It is an honor to be able organize the first ICIEMABS Conference that bring theme: "The Future of Islamic Based Economic and Business Facing The New Era of Islamic Civilization". This conference is expected to contribute in solving a global economic problem, through Islamic perspective. The academic papers in this conference include empirical research papers, theotical development papers, or conceptual insights that use different approach. We attempt to bring various presenter with various experience, knowledge, and academic background to challenge the discussion to finally result in an intellectual discovery to achieve the purpose of this conference.

ICIEMABS 2016 promotes and facilitates research synergies and partnerships between individuals and institutions in and between many countries in the world. ICIEMABS 2016 provides an academics forum that would likely to develop cooperation and relation between researchers, academics, schollars, and practitioners to find an insight and answer to every question regarding the development of Islamic based Economics.

We would like to express our thanks to the keynote speakers, session chairs, featured speakers, hotel management as well as each and every delegate, and I look forward to meeting you all.

Wassalamu'alaikum Warahmatullahi Wabarakatuh.

# President of ICIEMABS

1<sup>th</sup> International Conference on Islamic Economics, Management, Accounting, Business and Social Science (ICIEMABS) 2016, Batam, Indonesia

Aldrin Herwany, Ph.D

Assalamu`alaikum.Wr.Wb.

All distinguished participants, respected reviewers, and invited speakers, we are delighted to we are honored to have you all here to participate and share in the first International Conference on Islamic activities, Economics, Management, Accounting, Business and Social Sciences (ICIEMABS) 2016, organized by Doctorate Program of Management, Faculty of Economics and business, Universitas Padjadjaran Bandung in collaboration with Sekolah Tinggi Ilmu Ekonomi Ibnu Sina, Indonesian Economists Association (ISEI) and Association of Indonesian Private Higher Education Institutions (APTISI).

Due to vulnerable fundamentals, most countries worldwide suffer economic turbulences. Developing countries, however, endure the worse as they yet to adequately patronize their economy withstanding global market schemes. That vulnerability leads to increased rate of structural poverty and the widening gap between the rich and the poor in most developing countries. Furthermore, with the global free trade schemes and more dynamic commodity as well as stock markets numerous private-owned companies are in IPO which in turn impede their business performance more often than not because of its unpredicted dynamism.

Besides, developing countries count on foreign loans in which conditions imposed on loans are not on the consumption of production activities, but to back up developed countries' economy. Hence, such foreign loans also drive developing countries to the long term negative impacts of liberal economy with the spread of poverty, the gap between the rich and the poor, economic inequality, exploitation of resources (both natural and mineral), as well as environmental and social calamities.

Islamic Economics as a perfect way of life offers a unique system to solve problems in life including economic problems. For Muslims, the system is not only a way out, but also an integral part of their life purpose. This conference is expected to elucidate eloquently its application to solve a global economic problem.

Let us all expect that the conference will give an overview to the various parties involved about how to develop the Islamic Economic system, both conceptually and practically. We do apologize for any imperfection the committee may create. We hope that the event will run well.

Wassalamu`alaikum.Wr.Wb.

Head of Doctorate Program of Science in Management Faculty of Economics and Business UNPAD

Prof. Dr. Ina Primiana, S.E., M.T.

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# THE IMPACT OF PRODUCT ATTRIBUTES AND LABELS ON CONSUMER BEHAVIOR IN CHOOSING HALAL FOOD (CASE STUDY ON MUSLIM COMMUNITIES IN BANDUNG CITY)

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#### **ABSTRACT**

Halal become the main parameters in the selection process in consuming a product, this decision makes the dependency on food products to enter the market target Muslims. Confirms halal food in consumption is the responsibility of every Muslim society. To make it easier to know who in the consumption of halal food especially packaged foods, it can be noted from the product attributes and halal label listed on the food packaging. The research objective was to examine the influence of product attributes and labels on consumer behavior in choosing halal food on the Muslim community in the city of Bandung. The data used is primary data, the method of data collection using questionnaires. The sampling method used non probability sampling method. Data analysis method used is the method of qualitative and quantitative methods. Hypothesis test uses multiple linear analysis. Results of the analysis showed that the product attributes and labels influence on consumer behavior in choosing halal food on the Muslim community in the city of Bandung. Product attributes and halal labeling is a step that should be the concern of all people, especially the Muslim consumer audience, because the issue of Halal and Haram for a Muslim is a matter of principle that is not negotiable. Halal and haram will be related to the admissibility of worship some one.

Keywords: Consumer Behavior, Halal, Label, Product Attributes,

#### INTRODUCTION

Developments in science and technology lately have entered the realm of all aspects of human life; not only bring convenience, comfort, and pleasure, but also raises a number of Activities and results of new experiments some time ago never known, or even never imagined, now it becomes a reality. On the other hand, the religious consciousness of Muslims in many countries, including Indonesia, in the last decade has increased. As a logical consequence, the emergence of various problems, the invention, as well as activity and new experimental results as the product attributes of these advances, people always wonder how to position it in the perspective of Islamic teachings and laws.

The better understanding of the Muslim religion makes consumers become more selective about the products that will be consumed. Lodging in Indonesia Muslim consumers are protected by the agency specifically tasked to audit the products are consumed by Muslim consumers in Indonesia. This institution is the institution Supervision and Distribution of Drugs and Food - Indonesian Ulema Council (MUI LPPOM). This institution supervised product circulating in the community by providing halal certificate so that the product that has been certified halal them can provide a halal label on product attributes. This means that the product attributes in the process and its contents have been passed inspected and free from elements that are forbidden by the teachings of Islam, or the attributes of the product has become a halal product attributes category and does not contain elements of unlawful and can be consumed safely by Muslim consumers.

The products are of primary consideration in the selection process is based on the provisions of shari'ah 'at the benchmark for Muslim consumers are food products and beverages. The reluctance of Muslim society to

consume products haram will increase higher engagement in the product selection process (high involvement). Thus there will be products that have to be consumed and there is a product that is set aside as a result of the electoral process. The election process itself would make halal attributes as the main parameter. Currently one of the attributes that become a trend and the main reference for food and beverage products in Indonesia is "Halal Label".

The kosher label serves as a common tool at the time of purchase (Taylor, 1958; Beltramini & Stafford, 1993), the evaluation of the protective (Laric & Sarel, 1981) and contains information products (Bennett & McCrohan, 1993). Research on halal label has evolved, but the impact of the halal label on the behavior of consumers' decision remains unclear in the marketing literature (Moussa & Touzani, 2008). A limited study examined the undesirable effects of the halal label, such as faith-based certification mark (Halal) on Muslim consumers.

The research objective was to examine the influence of knowledge about the basic concepts of product attributes kosher and halal label perception of the behavior of consuming halal products on the Muslim community in the city of Bandung.

#### FRAMEWORK and EMPIRICAL STUDIES

#### **Product attributes**

A product is basically a collection of attributes for each product, whether goods or services, can be described by mentioning the attribute attributes. Product attributes can provide a clear picture of the product itself. According Tjiptono (in Suswardji 2012: 2) the product attributes are elements of a product that is considered important by consumers and used as a basis for decision making purchases. Then, according to Kotler and Armstrong (in Sussanto 2013: 1) Attributes of products is the development of a product or service involves determining the benefits to be provided. Their attributes attached to a product can be used by consumers to assess and measure the suitability of product attributes with the needs and desires.

#### Halal label

Halal labeling in principle is a label that informs the user that the labeled product, that product really kosher and nutrients they contain does not contain elements that are forbidden by sharia so that these products may be consumed.

Existing halal label on the packaging of products circulating in Indonesia is a logo which is composed of the Arabic letters that form the word halal in a circle. Labeling regulations issued POM DG (Directorate General of Drug and Food) Ministry of Health of the Republic of Indonesia, require food manufacturers to label containing additional information on the content (ingredient) of the food product. Legal certainty for the public that any products marked kosher label official from MUI halal guaranteed in accordance Shari'ah, will dispel doubts people will choose, consume and use halal products with a sense of security.

According Miru (2007) label is the amount of information on the product packaging. In general, the label must contain at least the brand name or products, raw materials, auxiliary materials composition, nutritional information, expiration date, product content, and legal information. According to Sandi, Marsudi, and Rahmawanto (2011) description of halal products sold primarily in Indonesia has a very important meaning and is meant to protect people who are Muslims to avoid consuming food that is not kosher (unclean).

# Muslim consumer behavior in Choosing food

Stephen P.Robbins (2001) mentions the perception can be defined as a process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment. and perceptions can certainly differ from objective reality. In the journal (consumer consumption Muslims consume halal food, Endang S.Soesilowati, 2010).

Religion is a key element in the culture of life that influence the behavior and purchasing decisions (Endang S Soesilowati, Assadi, 2003, Esso and Sally Dibb, 2004, Delener 1994, Babakus et al, 2004, Cornwell 2005). Religion is a system of beliefs and practices by the which group of people interprets and responds to what they sacred (Johnstone, is supernatural and 1975 quoted Shafie & Othman, In general, religion governing what is allowed and what is forbidden to do, including the consumption behavior (Shafie & Othman, 2008). From research Endang S quoting Fam et al (2004) stated that religion is the belief and values are expressed in interpreting life becomes a habit. Values are beliefs, or anything that is considered important by a person or a society (Ujang Suwarman, 2003). In the teachings of Islam, the Qur'an and the Hadith which is the book of life of Muslims guideline has given a lot of motivation to his people, both in world affairs

and worship. in world affairs as well organized in terms of consuming a product to meet their needs, especially food products.

Religion plays an important role in influencing consumers' attitude and behavior due to the nature of human beings, where their attitudes and behavior is based on their belief or religion. Essoo & Dibb (2004) stressed that religion dictates consumers' alternative choices on food, grocery products and others products.

# Methodology and Data

The method used in this study is the survey method. This type of research is a causal associative (Malhotra,2004). In his analysis, this study is conducted descriptively and verificatively. The retrieval technique of sampling is done by using probability sampling, i.e., using simple random sampling. The scale used in this study is Ordinal Scale.

The method used for sampling in this study is non-probability sampling method, using purposive sampling technique. Slovin sampling approach with an error rate of 10%, number of respondents were 150 people. The measurement of the validity uses the confirmatory factor analysis (CFA), while the reliability testis calculated by using Cronbach's Alpha. To test the effect of knowledge of product attributes of halal and halal label perception of the behavior of consuming halal products on the Muslim community in the city, which uses Multiple Linear Regression Analysis. The following is the multiple linear regression analysis model:

$$Y = a + \beta 1 X1 + \beta 2 X2 + e$$

In this study, quantitative data analysis used is Likert scale, on a five (5)-point from one (1)- Strongly to five (5) - Strongly Agree. The variables in this study consisted of three variables, namely the independent variable is the product attributes (X1), that is Halal Label moderating variable (X2), and the dependent variable is consumer behavior (Y).

# **Halal Product Attributes**

Indicators halal product attributes are measured by 13 indicators are: Does not contain human organs; Does not contain pork; Does not contain khamer; Does not contain elements unclean; Not broken / expired; Does not contain hazardous materials; Not illegal goods; There halal certification from MUI; No writing/halal label; There is a food product registration number /numbers BPOM marketing authorization from the Ministry of Health.

Other aspects of sharia also measured attributes of knowledge about the concept of halal is: Animals are slaughtered in the name of God; Haram scavengers (except fish and locusts); Forbidden to eat blood.

#### **Halal Label**

Perception of the halal label is measured by 10 indicators, namely: hope / desire for halal products; Confidence choose kosher products before buying; Eating kosher product does not negatively affect the body; Halal labeling on the product packaging; Kosher certification on the restaurant / eating kosher; Labeling / coding of packaging products, is not lawful '; Writing halal label on the product packaging should be clearly written; Halal certification on food and beverages served at the restaurant / diner must be posted; The importance of official institutions that provide labeling / halal certification; The importance of writing information on the expiry date and the composition of materials in product packaging.

# **Eating Behavior Halal Products**

Behavior consume halal products are measured by 10 indicators of how often (frequency) of respondents perform the following activities: Checking the composition / food and beverage packaging before deciding to buy; Pay attention to whether there is a halal label on food products and beverage packaging before deciding to buy; Eating and using food and beverage packaging products that are not labeled halal; Consuming foods and beverages served at the restaurant / restaurant that is not halal certification; Consuming foods and beverages in containers that halal

is doubtful; Eating in restaurants is halal in doubt; Encourage family / close friends to consume halal products; Preventing family / close friends not to consume products are not kosher; Tell your family / close friends not to eat / drink served restaurant that is not kosher; Tell your family / friends near restaurants guaranteed halal products.

# **Discussion on Empirical Results**

Testing Instrument The study was conducted by looking at the results of Test Validity and Test The reliability. Test validity can be concluded that the level of intercorrelation between variables already qualified and factor analysis can be continued for the value of KMO generated amounted to 0,879 with significance level of 0.001 (≤ 0.05). Test Results of reliability can be concluded that all the indicator variables halal product attributes, label kosher and halal product consumption behavior is declared reliable because alpha coefficient greater than 0.60.

# **Hypothesis Testing Results**

The results of testing the hypothesis test on the effect of knowledge of the basic concepts are product attributes

influence kosher and halal label perception to the behavior of consuming halal products on the Muslim community in the city of Bandung gained by doing a test of determination.

Testing the effect of knowledge of basic concepts influence product attributes halal and halal label perception to the behavior of consuming halal products.

Table 1. Determination of Test Results

Model Summary <sup>b</sup>				
			Adjusted R	Std. Error of the
Model	R	R Square	Square	Estimate
1	.976ª	.924	.860	.12976
a. Predic	tors: (C	onstant), KF	BCPAH; HLP	
b. Dependent Variable: Behavior of consuming halal products				

Model Summary, Source: Authors' Creation

From the results of the regression analysis, a look at the output moddel summary and presented as follows (Table 1. Determination of Test Results):

According to the table above figures obtained R2 (R Square) of 0.86 or eighty-six per cent (86%). This shows that the percentage contribution of the influence of the independent variables (KBCPAH and HLP) on the dependent variable (behavior of consuming halal products) by eighty-six per cent (86)%.

Or variations of the independent variables used in the model (KBCPAH and HLP) are able to explain amounted to eighty-six per cent (86%) variation of the dependent variable (behavior of consuming halal products). While the rest of twenty-four per cent (24%) influenced or explained by other variables not included in this research model.

F test is used to determine whether the independent variables has simultaneously a significant affect on the dependent variable. The confidence level used is 0.05. If the F value calculation result is greater than the value F according to the table, the alternative hypothesis states that all independent variables have a simultaneously significant effect on the dependent variable. The output is as follows:

Tabel 2. Test results F

	ANOVA <sup>b</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	.767	2	.384	26.778	.002ª	
	Residual	.072	5	.014			
	Total	.839	7				
a. Pred	ictors: (Constan	nt), KBCPAH and H	ILP				
b. Dep	endent Variable	: Loyalty					

Source: Authors' Creation

Table 2. Test F indicates that the value Fcalculation of 27. 768 level (sig) 0.002 or significance 0.002 value is smaller than the probability value of 0.005.

It is proved that there is a significant influence simultaneously (together) between knowledge of basic concepts influence product attributes halal and halal label perception to the behavior of consuming halal products on the Muslim community in the city of Bandung.

In Table 3. Coefficient, Significance Tests Effect of Partial (Test T), KBCPAH shows a significant value of 0,033, and halal label perception showed a significant value of 0.001, meaning that KBCPAH and halal label perception have a positive effect on behavior of consuming halal products, because the significant value is <0.05. The statistical test t-test (PARTIAL) shows:

Multiple Regression Equation knowledge of basic concepts influence product attributes halal and halal label perception to the behavior of consuming halal products produce:  $Y = 0.350 + 0.462 \times 10^{-2} \times 10$ 

Table 3. Coefficient

Coefficients <sup>a</sup>						
	Unstandardized Coefficients		Standardized Coefficients			
	В	Std. Error	Beta	t	Sig.	
(Constant)	.350	.168		26.187	.000	
КВСРАН	.462	.176	.207	2.775	.033	
HLP	.973	.138	.868	7.165	.001	
	(Constant)  KBCPAH  HLP  endent Variable	(Constant) .350  KBCPAH .462	Unstandardized Coefficients   B   Std. Error	Unstandardized Coefficients   Standardized Coefficients     B	Unstandardized Coefficients   Standardized Coefficients     B	

Source: Authors' Creation

#### Conclusion

The results of the survey conducted in the study area, indicating that generally indicates that the knowledge society Muslims in the city against the basic concept of halal and haram in evaluating the food was very good, especially for foods that are raw materials that require processing before consumption, such as meat, fish, vegetables, and so on.

Knowledge of the basic concepts of halal products, especially with regard to the products do not contain pork, does not contain khamr, does not contain human organs and does not contain unclean. Knowledge on halal

products positively influenced significantly by religious activities, environmental and educational background of the respondents.

Respondents' perceptions of halal products and halal product labeling indicates high picture. This is supported by the fact that 97% of respondents want all of the outstanding products supporting the guaranteed halal and halal labeling on food products and beverages as well as restaurants and eating houses.

The behavior of respondents with regard to awareness to consume halal products at the level of "high" by the behavior index value of 3.97 (on a scale of 5). The data obtained show that only 75% of respondents checked the kosher label before deciding to buy a product, 67% of respondents never / rarely consume a product that no halal label and 57% of respondents never / rarely ate in the restaurant that is not certified halal label. Related behaviors to avoid eating products packaging doubtful and dubious restaurant is only done by 74% - 79% of respondents. While the level of activity of respondents in encouraging, informing and preventing halal products kosher products are not only done by 75% - 78% of respondents. Such phenomena have emerged allegedly because there are many factors that are not the product packaging label certified kosher and halal restaurant, so only 77% of respondents said easy to find halal products and only 57% stated easier to find kosher restaurants.

Based on the results of multiple linear analysis showed that a significant difference between the respondents' knowledge with their perceptions of the attributes of halal products. Increased knowledge of the respondents on the positive attributes of halal products will improve the perception of the halal products. Knowledge and perception together positive effect on the behavior of respondents in the consumption of halal products. Nonetheless influence perception more highly valued than knowledge. What was perceived by respondents about the attributes of halal products will be more dominant influence on behavior than what he knows.

Religious activities had significantly positively the greatest contribution to the improvement of knowledge and perception of respondents halal products compared environmental and educational factors. This indicates that the need to encourage the Muslim community often perform religious activities, it would be in line with the increase in knowledge / understanding of Muslim communities as well as an increase in positive perception of halal products.

Successful social reality revealed by this study shows that the presence of laws and regulations that protect consumers (Muslims) from eating kosher products are not strictly necessary and very urgent. One limitation of this paper is its ability to generalize the results from Bandung to other countries with diverse population demographics. The results may not apply if the consumer Muslim minorities.

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