



The influence of the God locus of control and halal awareness on consumer trust in halal products

Section:
Business management

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Abstract

This study examines the impact of God's Locus of Control (individual perception of God's control) and Halal Awareness (awareness of product halalness) on consumers' trust in halal products. In a society increasingly conscious of the importance of meeting religious requirements in consumption, psychological factors such as God's Locus of Control and awareness of the halalness of products become relevant for examination. The study employs a quantitative approach, gathering data through questionnaires from respondents with experience or knowledge about halal products. The collected data was analyzed using regression techniques to assess the influence of God's Locus of Control and Halal Awareness on consumer trust levels. The research aims to provide deeper insights into the psychological factors shaping consumer confidence in halal products, with potential practical implications for businesses and marketers in developing more effective communication and marketing strategies, particularly in the context of halal products. Theoretically, this study can contribute to the literature on consumer behavior and factors influencing purchasing decisions, especially in halal products.

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Abstrak

Penelitian ini mengkaji dampak God's Locus of Control (persepsi individu terhadap kendali Tuhan) dan halal awareness (kesadaran akan kehalalan produk) terhadap kepercayaan konsumen terhadap produk halal. Dalam masyarakat yang semakin sadar akan pentingnya memenuhi persyaratan agama dalam konsumsi, faktor-faktor psikologis seperti God's Locus of Control dan kesadaran akan kehalalan produk menjadi relevan untuk diteliti. Penelitian ini menggunakan pendekatan kuantitatif, dengan mengumpulkan data melalui kuesioner dari responden yang memiliki pengalaman atau pengetahuan tentang produk halal. Data yang terkumpul dianalisis menggunakan teknik regresi untuk menilai pengaruh God's Locus of Control dan Halal Awareness terhadap tingkat kepercayaan konsumen. Penelitian ini bertujuan untuk memberikan wawasan yang lebih mendalam tentang faktor-faktor psikologis yang membentuk kepercayaan konsumen terhadap produk halal, dengan implikasi praktis yang potensial bagi bisnis dan pemasar dalam mengembangkan strategi komunikasi dan pemasaran yang lebih efektif, khususnya dalam konteks produk halal. Secara teoritis, penelitian ini dapat memberikan kontribusi terhadap literatur tentang perilaku konsumen dan faktor-faktor yang memengaruhi keputusan pembelian, khususnya pada produk halal.

Kata Kunci: Locus kendali Tuhan, kepercayaan, kesadaran akan halal

INTRODUCTION

In the contemporary globalization landscape, the burgeoning demand for halal products has not just emerged as a significant trend, but also as a crucial reflection of a broader societal shift towards ethical and spiritually conscious consumption. This trend, with its increasing momentum, underscores the importance of aligning purchasing decisions with personal beliefs and values. As consumers delve deeper into the principles underlying halal practices, there is a growing recognition of the spiritual dimensions of consumption and the role of religious obligations in everyday life.

The evolving consumption patterns indicate that individuals are increasingly considering psychological factors when evaluating products, particularly those that adhere to halal standards. Among these factors, the concept of God's Locus of control emerges as a pivotal player, significantly influencing an individual's perception of divine influence over their life choices. Consumers who possess a strong God Locus of control may feel a heightened responsibility to choose halal products, viewing their consumption as a profound reflection of their faith. Researchers have been studying the concept of locus of control (LOC) for many years, a journey that takes us back to the roots of psychological understanding (Boyd & Wilcox, 2020b, 2020a).

LOC, a theoretical framework that examines how individuals perceive their ability to impact life events (Ai et al., 2005; Rotter, 1966), was first introduced by Rotter in 1954. This construct, shaped by personal experiences, influences future expectations about one's actions and outcomes. LOC is divided into two main types: external locus of control (ELOC) and internal locus of control (ILOC). ELOC refers to the belief that external factors, such as the actions of others or situational circumstances, determine outcomes. On the other hand, ILOC reflects a belief in personal agency, where individuals attribute their successes and failures to their efforts, perseverance, and self-efficacy (Boyd & Wilcox, 2020a). Distinguishing between ELOC and ILOC is essential for understanding how individuals interact with their surroundings and make decisions, including choices related to consumption and adherence to specific values, such as halal principles (Boyd & Wilcox, 2020a).

Additionally, halal awareness—the understanding and recognition of what constitutes halal products—is not just a critical determinant, but a cornerstone of consumer trust. As

consumers become more informed about the sourcing, processing, and certification of halal products, their confidence in these products increases, fostering a sense of assurance that their choices align with their religious and ethical standards (Aziz & Chok, 2013; Bashir, 2019b).

Given this context, the present study aims to analyze the interplay between God's Locus of control and halal awareness and how these factors influence consumer trust in halal products. By exploring these relationships, the research seeks to contribute valuable insights into the motivations driving consumer behavior in the halal market, ultimately aiding businesses in effectively meeting the needs of this growing demographic. Therefore, this study aims to comprehensively analyze how God's Locus of Control and halal awareness impact consumer trust in halal products.

THEORETICAL FRAMEWORK AND HYPOTHESIS

"Halal" refers to what is permissible and lawful in Islamic law, while "haram" denotes what is prohibited or unlawful. For Muslims, consuming foods that are explicitly forbidden in Islam is not allowed. As stated in the Quran, Allah (SWT) commands: "O mankind! Eat of that which is lawful and good on the earth..." (Al-Quran, Surah al-baqarah (The Cow) 2:168). According to Mukherjee (2014), halal embodies trust in the purity and standards of products. The halal concept emphasizes various essential aspects, including hygiene, safety, purity, and the integrity of the manufacturing and production processes. It also encompasses honesty and service in food-related and other financial and social activities, all grounded in the principles of Islam (Hussain et al., 2016). In recent years, the halal symbol has gained prominence within the Muslim community and in non-Muslim countries, reflecting a growing recognition of its significance in global markets. This expansion highlights the increasing demand for halal products driven by religious adherence and a broader interest in ethical and quality standards in consumption (Bashir, 2019b).

The God locus of control and consumer trust

God's Locus of Control (GLOC) is a person's belief about how much control they have over their life. Further understanding of the extent to which belief in God influences consumer attitudes and decisions towards halal products is needed (Mizani et al., 2022; Oktrivina et al., 2022). Consumers with a strong sense of God's guidance may feel that their purchasing decisions, especially regarding halal products, are influenced by divine principles. This belief can strengthen their trust in halal products, as they see these products as being in line with their religious values and the will of God. This trust can lead to a greater willingness to buy and consume halal products, as they believe that a higher power approves these choices. A strong sense of God's guidance may also cause consumers to prioritize moral and ethical considerations when purchasing. They may see halal products not just as permissible but also as a reflection of their dedication to living by their faith. This alignment between personal beliefs and consumer choices can instill trust in halal products, as consumers feel they are making choices that honor their religious commitments.

Halal awareness and consumer trust

The concept of halal in Islam encompasses a comprehensive framework that governs various aspects of life, including consumption, social interactions, transactions, and education. Halal products and services are deemed permissible and lawful according to Islamic law, and they are integral to the

lifestyle of Muslims, reflecting their religious obligations and values. Halal is not limited to food; it extends to all areas of life, including cosmetics, pharmaceuticals, banking, and tourism. This holistic approach ensures that Muslims can engage in various activities while adhering to their faith. The emphasis on halal products signifies a commitment to living by Islamic principles, which promotes overall well-being and ethical conduct. "tayyib," which means pure or good, is often associated with halal foods. This connection highlights the importance of quality and cleanliness in food consumption. Muslims are encouraged to seek out halal and tayyib foods that not only satisfy their physical needs but also align with their moral and spiritual values. This dual focus on physical and spiritual nourishment is essential in Islamic consumption practices.

Consumption in Islam is deeply intertwined with morality and spiritual intentions. Muslims are encouraged to approach their consumption choices to achieve God's pleasure and well-being. This perspective fosters a sense of responsibility and mindfulness in purchasing decisions as consumers consider the ethical implications of their choices. One of the fundamental principles of halal products is preventing harm to humans, animals, and the environment. This principle underscores the ethical dimension of halal consumption, as it promotes sustainability and welfare. By choosing halal products, consumers are fulfilling their religious obligations and contributing to the well-being of society and the planet (Aslan, 2023; Bashir, 2019a; Bonne & Verbeke, 2008; Rahman et al., 2021). Research by prior studies (Bashir, 2019b; Zakaria et al., 2018) indicates that consumers' awareness of halal standards directly impacts their choices regarding halal food products. These collective findings affirm that heightened awareness of halal foods correlates with an increased likelihood of consumers intending to purchase such products.

METHODS

The study uses quantitative research to explore the connection between God's Locus of Control, halal awareness, and trust in halal products. This approach enables statistical analysis of the collected data, which is effective in understanding how GLOC and halal awareness influence consumer trust in halal products.

Data collection method and sampling technique

A survey questionnaire is the primary data collection instrument. This method efficiently gathers standardized information from many respondents, which is suitable for statistically analyzing the relationships between variables. The study's respondents are consumers with prior experience purchasing halal products, ensuring that participants have relevant knowledge and experience crucial for the study's validity. The study uses purposive sampling to select participants based on specific characteristics, such as their experience with halal products. The study included one hundred-eight respondents, providing an adequate sample size for statistical analyses and meaningful conclusions.

Data collection was conducted through online questionnaires distributed via Google Forms, ensuring easy access for respondents to complete the survey at their own pace. WhatsApp's use for distribution facilitated reaching a wider audience quickly. The survey was conducted over four weeks in September 2023, allowing ample time for respondents to complete the questionnaire and for researchers to gather sufficient data.

The descriptive analysis of the respondents' characteristics reveals a compelling profile relevant to this study. The findings indicate that most respondents were female, comprising 71.30%, while males accounted for 28.70%. In terms of age, the largest group of respondents was under 25 years old, representing 67.6% of the sample. The remaining respondents were aged between 25 and 30 years (26.9%) and over 30 years (5.6%). Regarding educational background, 38.9% of the

respondents were students, followed by those with a bachelor's degree at 33.3%, high school graduates at 26.9%, and a small percentage of 0.9% holding a master's degree. When examining marital status, most respondents were single, making up 76.9% of the total sample, while married individuals represented 23.1%. This demographic overview provides valuable context for understanding the study's findings.

RESULTS AND DISCUSSION

Measurement model evaluation

In this study, JAMOVI software was used to conduct data analysis. The measurement model was initially estimated to examine factor loadings and establish reliability and validity for the selected measurement scales. After that, the structural model was estimated to verify the hypotheses.

The fit indices must meet acceptable threshold values. The results from the measurement model estimation indicate that the model has yet to achieve a good fit. This is evidenced by a chi-square p-value of less than 0.05, an SRMR greater than 0.60, and an RMSEA exceeding 0.08. While TLI and NNFI did not meet the criteria, CFI, RNI, and IFI parameters successfully exceeded the acceptable threshold of 0.90 (See Table 1). The statistical analysis reveals that almost all items have standardized factor loadings greater than 0.50, with only one item falling below this threshold. This suggests that the convergent validity test is fine.

The Average Variance Extracted (AVE) is a statistical measure used to evaluate how well a concept represents the variance of its indicators, indicating convergent validity. Convergent validity refers to the relationship between measures of the same concept. Hair et al. (2019) state that a concept has convergent validity if its AVE value exceeds 0.50. This means that more than half of the variance in the indicators is captured by the concept itself, showing that the indicators measure the same underlying idea. In this study, all concepts demonstrated convergent validity, with AVE values surpassing the 0.50 threshold. This suggests that the indicators effectively capture the intended concepts (Hair et al., 2019).

Table 1.
Goodness of Fit

Parameter	Value	Cut-off Value	
X ²	< .001	> 0.05	-
SRMR	0.05	< 0.06	-
RMSEA	0.097	< 0.08	-
Comparative Fit Index (CFI)	0.904	> 0.90	Good fit
Tucker-Lewis Index (TLI)	0.885	> 0.90	-
Bentler-Bonett Non-normed Fit Index (NNFI)	0.885	> 0.90	-
Relative Noncentrality Index (RNI)	0.904	> 0.90	Good fit
Bollen's Incremental Fit Index (IFI)	0.905	> 0.90	Good fit

Table 2.
Confirmatory Factor Analysis

Latent	Indicator	Loading Factor	CA	AVE
HAW	HAW1	0.80	0.90	0.58
	HAW2	0.68		
	HAW3	0.82		
	HAW4	0.81		
	HAW5	0.78		
	HAW6	0.67		
	HAW7	0.70		
GLC	GLC1	0.77	0.90	0.611
	GLC2	0.79		
	GLC3	0.80		
	GLC4	0.66		
	GLC5	0.82		
	GLC6	0.76		
TRS	TRS1	0.85	0.86	0.69
	TRS2	0.80		
	TRS3	0.83		

Furthermore, a reliability analysis was conducted to ensure consistent measurement of the concepts. Reliability reflects the stability and consistency of an assessment tool's results. The analysis presented in Table 2 indicates that all Cronbach's Alpha values exceed the acceptable threshold of 0.70. This suggests the concepts are reliable, as the measurement instruments yield consistent results across different instances. Combined, these findings support the validity and reliability of the concepts used in the research.

Structural model evaluation

In analyzing the structural model and hypotheses, Table 3 displays the results related to the proposed connections among the concepts. Hypothesis 1 (H1) explores the effect of Halal Awareness on trust. The findings reveal a significant positive relationship, with a standardized coefficient (β) of 0.607 and a p-value below 0.05. This suggests that as Halal Awareness increases, trust also increases, supporting H1.

However, the examination of the other two hypotheses provides different results. Hypothesis 2 (H2) investigates the impact of god locus of control on trust. The analysis shows no statistically significant effect on purchasing decisions, as indicated by a p-value exceeding 0.05. This indicates that the god locus of control does not have a meaningful impact on trust in the context of this study, leading to the conclusion that H2 is not supported.

Table 3.
Structural analysis

Dep	Pred	Estimate	SE	95% Confidence Intervals		β	z	p
				Lower	Upper			
TRS	HAW	0.711	0.1244	0.4677	0.955	0.607	5.72	<.001
TRS	GLC	0.101	0.0649	-0.0259	0.228	0.145	1.56	0.119

The findings of this study provide significant support for the first hypothesis (H1), which posits that God's Locus of Control influences trust. The positive standardized coefficient ($\beta = 0.4595$) suggests that as the God Locus of Control level increases, its impact on purchasing decisions also increases. This indicates that consumers who perceive a higher degree of control attributed to a divine influence are likelier to exhibit favorable purchasing behaviors. Understanding that consumers with a high God Locus of Control are more likely to trust brands, companies can develop products that align with this belief's ethical and moral values. This could include creating products that are environmentally friendly, socially responsible, or that support charitable causes, thereby appealing to these consumers' values.

On the other hand, the study's results highlight the lack of significant influence of halal awareness on consumer trust in halal products, as evidenced by a p-value greater than 0.05. This suggests that halal awareness does not play a substantial role in shaping consumer purchasing decisions within the context of this research. In summary, while the God Locus of Control significantly influences consumer behavior, halal awareness does not significantly affect trust in this study. The absence of a substantial impact suggests that merely being aware of halal products or their certification does not automatically increase consumer trust. This could indicate that consumers might need more clarification on what halal certification involves or may not consider halal awareness a significant factor in their purchasing decisions. The findings suggest that factors such as personal beliefs, values, or experiences may significantly influence consumer trust and purchasing behavior about halal products. This indicates that marketers and businesses should consider these factors to influence consumer decisions.

The study shows that awareness of halal did not significantly affect consumer trust in halal products for several potential reasons. First, consumers may need more clarification on what halal certification entails. Suppose individuals need clarification about the criteria and processes involved in halal certification. In that case, they may feel they need more confidence in trusting products labeled as halal. This lack of clarity can lead to skepticism regarding the authenticity and integrity of halal claims. Secondly, for some consumers, halal awareness may be a minor factor in their purchasing decisions. They might prioritize other attributes, such as product quality, price, or brand reputation, over the halal status of a product. This suggests that more than halal awareness is needed to resonate strongly with all consumer segments. Finally, trust in halal products may be more influenced by personal beliefs, values, and cultural backgrounds than by awareness alone. Consumers who identify with the cultural or religious significance of halal may place little importance on halal certification, leading to a disconnect between awareness and trust.

The research findings suggest further investigation into the factors influencing consumer trust in halal products. Businesses and researchers should consider exploring additional aspects of consumer behavior, such as cultural influences, personal values, and social factors, to understand better how to market halal products effectively. For policymakers, the results indicate that simply promoting halal awareness may not be sufficient to influence consumer behavior. Policies should focus on providing comprehensive education about halal products and their benefits and implementing initiatives to build community trust, as these may be more effective in encouraging halal consumption.

CONCLUSION

The study provides insights into the factors influencing consumer trust and purchasing decisions, particularly concerning God's Locus of Control and halal awareness. The findings confirm that a higher God Locus of Control significantly correlates with increased brand trust. Consumers who attribute more control to divine influence are more likely to make favorable purchasing decisions. Businesses can use this understanding to create products that align with this belief's ethical and moral values, such as environmentally friendly and socially responsible offerings. On the other hand, the study reveals that halal awareness does not significantly influence consumer trust in halal products. This suggests that simply being aware of halal certification does not automatically enhance consumer trust, possibly due to a lack of understanding about the implications of halal certification or its relevance in purchasing decisions. This highlights the importance of personal beliefs, values, and experiences in shaping consumer behavior towards halal products.

The results highlight the need for further research into the factors affecting consumer trust in halal products. Marketers and businesses should explore cultural influences, personal values, and social dynamics to develop effective marketing strategies. Additionally, policymakers should understand that more than promoting halal awareness is needed to drive consumer behavior. Instead, comprehensive education about halal products and initiatives to build community trust may be more effective in encouraging halal consumption.

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