### **CHAPTER 1**

### INTRODUCTION

### 1.1. Background of Study

Today, there has been a growing public awareness of the importance to understanding food ingredients and the production process. This is evident from an increasing consumer interest in knowing the composition and origin of the products they purchase for consumption. While there is no specific data available, it is estimated that consumer awareness of product information has increased by 20-30% in the past two decades, driven by the rapid growth of the Muslim population. The global halal market, expected to reach \$1.3 trillion by 2025, has experienced significant growth, with an average annual growth rate of 5.2% between 2018 and 2028. These trends indicate that people are becoming more discerning and selective in their purchasing and consumption decisions.

This awareness does not only arise as a form of vigilance from the community but also as a form of caution in choosing and buying products to achieve peace, security, and health. In the Islamic context, this is in line with the principles of *maqashid sharia*, which aims to protect five pilar, including *Hifdzu Ad-Diin* (safeguarding religion), *Hifdzun Nafs* (safeguarding on soul), *Hifdzul' Aql* (safeguarding on intellect), *Hifdzun Nasl* (safeguarding on descendants), and *Hifdzul Mall* (safeguardingon wealth).<sup>2</sup> Naturally, the safe on consume the halal products, people safeguard their health and ensure they eat halal food according to religious precepts.

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<sup>&</sup>lt;sup>1</sup> Ahmad Haikal Hasan, "Halal Market Reaches IDR 20,000 Trillion, Head of BPJPH: Market Opportunities We Must Take," accessed February 2, 2025, https://bpjph.halal.go.id/detail/pasar-halal-tembus-rp20-000-triliun-kepala-bpjph-peluang-market-yang-harus-kita-ambil.

<sup>&</sup>lt;sup>2</sup> محمد الطاهر بن محمد بن محمد الطاهر بن عاشور التونسي (ت ١٣٩٣ هـ), مقاصد الشريعة الإسلامية (قطر: وزارة الأوقاف والشؤون الإسلامية.

This awareness also arises because of public Knowledge on various cases involving combine the haram ingredients in the consumption process. For example, reports of beef and pork in Tangerang deceive buyers with low prices.<sup>3</sup> In addition, there are cases of fried chicken meat (dead chickens not byslaughter) sold illegally.<sup>4</sup> Not only is it applicable in food, but mixtures of haram substances are also found in medicinal products, which, of course, raises serious concerns for consumers who want to consume it.<sup>5</sup> Along with the widespread instances of combining haram ingredients in food, this can indicate that people need to be more conscious of carefully choosing what they consume.

Analyzing the factors of influence by the consumer behaviour essential when determining whether or not consumers wish to purchase a product. This seeks to identify customers becoming more picky about the foods they consume. Several factors cause the consumers want to change their choices of the products their consume, one of which is raw materials or ingredients for product the food. People today are more concerned about health, which makes them pay more attention to the composition and quality of the ingredients used. Besides that, the finding of information regarding product knowledge was now more straightforward. The benefits of technological advancements and the internet, consumers will know more about the product's ingredients and their health effects.

To understand a food ingredients is one of the things that can be affect a consumer's decision to purchase food raws. Food manufacturing materials used in the production process of food products material must halal and safety standards. Consumers who

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 $^4 https://www.kompas.com/tren/read/2022/01/25/210025265/bahaya-konsumsi-bakso-ayam-tiren-seperti-yang-dijual-pasutri-di-bantul$ 

<sup>&</sup>lt;sup>3</sup>https://megapolitan.kompas.com/read/2020/05/19/07120811/fakta-kasus-daging-oplosan-sapi-dan-babi-di-tangerang-kelabui-pembeli?page=all

<sup>&</sup>lt;sup>5</sup>https://tirto.id/ikatan-apoteker-konsumen-harus-tahu-obat-yang-mengandung-babi-cEb2

know ingredients for making food that are prohibited in Islam, such as pork, alcohol, and their derivatives, tend to be more selective in product. For example, the it use of gelatin, avoid harm material has become a serious concern for Muslim consumers. 6 Knowledge of halal alternatives, such as gelatin derived from fish or beef bones that have been slaughtered halal, can increase consumer confidence in these products.

In Islam, the concept of halal food is significant, as it is mandated that all Muslims consume halal food and beverages. This is because the energy and blood that sustain human life are derived from individuals' food and drinks.

From an Islamic perspective, the term "halal" refers to something good or legitimate by the law. Halal products should not include pork or any ingredients derived from it, nor should they contain forbidden substances such as blood, faeces, human organs, and similar items. Islamic guidelines must slaughter all ingredients sourced from halal. All the activities related to the storage, sale, processing, management, transportation consumption of these products must be carried out without involving any food that ingredients contain pork or khamar (harm material). However, consumers often remain confused about the halal status of the products they use.

In this context, the Government of Indonesia aims to promote halal products. One of the current government initiatives is the issuance of Law of the Republic of Indonesia Number 33 of 2014 concerning Halal Product Assurance, which was amandemend into Law Number 6 of 2023 regarding the Establishment of Government Regulations instead of Law Number 2 of 2022 on Job Creation. This law includes

<sup>7</sup> Ahmad Izzuddin, "The Effect of Halal Labels, Halal Awareness and Foodstuffs on Culinary Food Buying Interest," *Journal of Science and Technology Research* 3, no. 2 (2018): 100–114.

<sup>&</sup>lt;sup>6</sup>https://www.pom.go.id/penjelasan-publik/penjelasan-badan-pom-terkait-isu-kehalalan-bahan-makanan

several amended articles and introduces provisions requiring small or micro-scale business operators to obtain halal product certification. This government institution seeks the existence of halal certification to indicate that products sold in the community must be halal-certified.<sup>8</sup> Allah mentions in the Qur'an, Surah Al-Baqarah, verse 168, which addresses the consumption of halal food and beverages:

Meaning: O humanity! Consume the lawful and wholesome food available on the earth, and do not follow the paths of Satan.

Indeed, Satan is a clear enemy to you. (Al-Baqarah, verse 168) 9

From this verse, Allah commands us to consume what he has made lawful from the ingredients and the way it is processed. Food ingredients are all ingredients contained in food and beverage products. One of the indicators to determine in predicting the bought interest by Muslims in Indonesia is looking at their knowledge of the ingredients contain/materials in food because there are still Muslim communities in Indonesia who are lacking in paying attention to what ingredients are materials food, so there needs to be research that discusses the influence of ingredient knowledge food production to purchasing decisions by consumers.

<sup>9</sup>"Al-Qur'an Surah Al-Baqarah Verse 168," accessed October 4, 2024, https://www.merdeka.com/quran/al-baqarah/ayat-168.

<sup>&</sup>lt;sup>8</sup> "Law (Law) Number 6 of 2023 stipulating Government Regulations in Lieu of Law Number 2 of 2022 concerning Job Creation into Law," 2023, https://peraturan.bpk.go.id/Details/246523/uu-no-6-tahun-2023.

<sup>&</sup>lt;sup>10</sup> Aditya Tamar, "The Effect of Halal Certification, Halal Awareness and Foodstuffs on Interest in Buying Halal Food Products (Study on Muslim Students of Sumatra Institute of Technology)," *Thesis* (UIN Raden Intan Lampung, 2021).

Food and drink are the most important things for humans. Food and beverages that are guaranteed quality do not have the packaging and ingredients used and are safe from haram ingredients and dubious composition. The production process and the materials also determine the halal. As a competent and knowledgeable Muslim buyer, so the muslim must consider the item before consume it. Every consumer was interested on product they will consume to meet their needs. This will is closely related to thoughts and feelings when performing its functions. Attraction to a product will arise from the consumer's desire, but it is not achieved well. This shows that even though consumers like a product, they won't buy it if there are have bad impact.

Food ingredients are a composition that exists in various types of parts used to make a product. One of the critical variables in estimating consumer purchase interest in an item can use Knowledge of food manufacturing ingredients as an indicator. The food ingredients of a product can be seen through the composition written on the product packaging.<sup>12</sup>

Another part that the consumers also pay attention to ingredients that are considered dubious (syubhat) to be consumed. For example, the use of emulsifiers, dyes, and food preservatives of unclear origin can raise doubts about the halalness of the product; consumers who have knowledge of these ingredients tend to be more critical and choose products that have halal certification from a trusted institution. This is also explained in the Qur'an Surah Al-Maidah verse 3.<sup>13</sup>

حُرِّمَتْ عَلَيْكُمُ الْمَيْتَةُ وَالدَّمُ وَلَحْمُ الْخِنزِيرِ وَمَا أُهِلَّ لِغَيْرِ اللهِ بِهِ عَ وَالْمُنْحَنِقَةُ وَالْمَوْقُوذَةُ

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13 "Qur'an of the Ministry of Religion," accessed February 1, 2025, https://quran.kemenag.go.id/quran/per-ayat/surah/5?from=1&to=120.

<sup>&</sup>lt;sup>11</sup> Dwi Ayu Saputri, "The Influence of Halal Labels, Brand Awareness and Product Materials on Buying Interest in Packaged Food and Beverages with Perception as an Intervening Variable" (Salatiga State Islamic University, 2022).

<sup>&</sup>lt;sup>12</sup> Ibid.

وَالْمُتَرَدِّيَةُ وَالنَّطِيْحَةُ وَمَا أَكُلَ السَّبُعُ إِلَّا مَا ذَكَّيْتُمْ ﴿ وَمَا ذُبِحَ عَلَى النُّصُبِ وَأَنْ تَسْتَقْسِمُوا بِالْأَرْلَامِ ۗ ذَٰلِكُمْ فِسْقٌ ۗ الْيَوْمَ يَئِسَ الَّذِينَ كَفَرُوا مِنْ دِينِكُمْ فَلَا تَخْشَوْهُمْ وَاخْشَوْنِ ۗ الْيَوْمَ بِالْأَرْلَامِ ۗ ذَٰلِكُمْ فِلاَ تَخْشَوْهُمْ وَاخْشَوْنِ ۗ الْيَوْمَ بِالْأَرْلَامِ ۗ ذَٰلِكُمْ فِسْقٌ ۗ الْيَوْمَ يَئِسَ الَّذِينَ كَفَرُوا مِنْ دِينِكُمْ فَلَا تَخْشَوْهُمْ وَاخْشَوْنِ ۗ الْيَوْمَ اللَّهِ عَلَيْ كُمْ الْإِسْلَامَ دِينَا ۗ فَمَنِ اضْطُرَّ فِي الله عَلَيْكُمْ فِعْمَتِي وَرَضِيتُ لَكُمُ الْإِسْلَامَ دِينَا ۗ فَمَنِ اضْطُرَّ فِي الله عَقُورٌ رَّحِيمٌ فَعَمَ فَيْرَ مُتَجَانِفِ لِإِنْمُ ﴿ فَإِنَّ الله غَفُورٌ رَّحِيمٌ

Meaning: "You are prohibited from consuming carcasses, blood, pork, and any animal slaughtered in the name of anyone other than Allah, as well as the suffocated, the beaten, the fallen, the horned, and those attacked by wild animals, except for those you have properly slaughtered. (It is also forbidden) to slaughter for idols. (Similarly) casting lots with azlam (arrows), because it is an immoral act. On this day, the disbelievers have despaired of your religion; therefore, do not fear them, but fear Me. On this day, I have completed your religion for you, fulfilled My favour upon you, and chosen Islam as your religion. If someone is compelled to eat out of hunger, not out of a desire to sin, then Allah is Forgiving and Merciful." (Al-Maidah verse 3)

In addition of knowledge of food ingredients. The knowledge of the production process can also influence consumers' purchasing decisions, especially in the context of halal products. A production process that is not in accordance with halal principles can make the product non-halal, even though the ingredients for making food are halal. Thus, it is essential for consumers to pay attention to the halal status of the production process involved.

The production process that complies with Islamic law encompasses several key elements, including the slaughtering of animals, the processing of food ingredients, and the packaging of products. In Islam, the slaughter of animals must be done in a halal way, namely by saying the name of Allah, using a sharp knife, and ensuring that the animal dies from this slaughter; the slaughter process that does not meet these criteria can make the meat considered halal.

Apart from slaughter, the processing process of food ingredients must also ensure that there is no contamination with of haram ingredients. For example, in the production of processed foods, the equipment used must be clean and not contaminated with prohibited materials. Consumers who know about the importance of a clean production process in accordance with Islamic rules will tend to choose products from sellers who are transparent about their production process.<sup>14</sup>

To ensure that the production process aligns with Sharia principles, many producers implement halal standards and certifications. These standards address various aspects of the production process, including the sourcing of raw materials, processing, and distribution. Halal certification from a reputable institution, such as the Indonesian Ulama Council (MUI) or an international halal certification body, provides consumers with assurance that the product has undergone a production process compliant with Islamic law.

Consumers who have knowledge about halal standards and certification tend to prefer products that have an official halal label. The halal label not only guarantees the halalness of the product but also provides assurance that the product has gone through a rigorous inspection process. Knowledge about the halal certification process, from raw material inspection to the production process, can increase consumer confidence in the product and provide business improvement for business actors.<sup>15</sup>

<sup>14</sup> "Module for Submitting Halal Certification for Food and Beverage MSMEs,".

<sup>&</sup>lt;sup>15</sup>"Pocketing Halal Certificates, Business Rises Rapidly," 2023 https://halalmui.org/kantongi-sertifikat-halal-bisnis-naik-pesat/.

Transparency in the production process as key factor to build consumer trust. Producers who are open about their production processes, including the source of raw ingredients, processing methods, and contamination prevention measures, tend to be more trusted by consumers. This transparency can be achieved through various ways, such as clear labelling, information available on the official website, or even providing *production tour* facilities for consumers.

The Qur'an emphasizes the restrictions on prohibited foods in Islam, as well as emphasizes the importance of intentions and emergencies in consuming prohibited foods. especially in Surah Al-An'am verse 145:<sup>16</sup>

Meaning: "There is nothing in what has been revealed to me that is prohibited for those who wish to eat it, except for carrion, flowing blood, and pork, as it is impure, or any animal slaughtered in the name of someone other than Allah. However, if someone is compelled to eat out of necessity, without intending to transgress, then indeed, your Lord is Forgiving and Merciful." (Surah Al-An'am verse 145)

From the verse above, Allah forbids us to consume food that comes from animals without slaughter, or flowing blood, or pork that has unclean and haram substances. And the slaughtered animals are not in the name of Allah, just as the slaughtered animals are slaughtered for

<sup>&</sup>lt;sup>16</sup> "Qur'an of the Ministry of Religion," accessed February 1, 2025, https://quran.kemenag.go.id/quran/per-ayat/surah/5?from=1&to=120.

offerings other than gods. This verse indicates that the process of production or processing of raw goods to become mature is very important according to the rules that have been determined by religion. As a result, the halal status of a product, particularly food and beverages, is an essential requirement for all consumers, especially Muslim consumers. Today's food industry, many ingredients are processed using technology to create products that are ready for consumption.<sup>17</sup> Technology-assisted processing of all food ingredients can help us process food more efficiently so that consumers can eat it directly and without question if a food product has a halal label.<sup>18</sup>

Law Number 33 of 2014 concerning Halal Product Guarantee, among other regulations, governs the Islamic process of producing halal food in Indonesia:<sup>19</sup>

- 1. The places, locations, and equipment used for halal production processes must be kept separate from those used for slaughtering, processing, storing, and distributing non-halal food products.
- 2. The places, facilities, and equipment for the halal production process, as mentioned in the part one, are mandatory:
  - a. Maintained
  - b. Free from uncleanness
  - c. Free from non-halal ingredients, all materials used to make products halal ingredients.

The consumption of halal products, according to Islam, is a right for all people that has been guaranteed in the 1945 Constitution, especially the Consumer Protection Law Number 08 of 1999, which functions to provide protection to all consumers on the products they

<sup>18</sup> Annisa Ahmudin, "Analysis of Halalness of Food Products in Efforts to Protect Muslim Consumers" (IAIN Pare Pare, 2022).

<sup>&</sup>lt;sup>17</sup> May Lim Charity, "Halal Product Assurance in Indonesia" Vol. 14 No (n.d.): 99.

<sup>&</sup>lt;sup>19</sup> Law of the Republic of Indonesia Number 33 of 2014 concerning Halal Product Guarantee/Article 21

consume and can encourage traders to trade food according to the rules that have been set according to applicable standards because the community has standards and feasibility in consuming food.<sup>20</sup>

The knowledge of these facts has made people more cautious and made it an important consideration in making purchasing decisions. However, the question that arises is to what extent does knowledge of food ingredients and knowledge of the production process actually influence the purchase decision? Does this increased awareness significant change the consumer behaviour, or is it just limited to the knowledge that is not necessary implemented in real action?

To answer this question, in-depth research was needed to discore/measure the relationship between knowledge of food ingredients and knowledge of the food production process in terms of purchasing decisions. This research is not only important from an science knowledge of view but also has practical implications for industry players, regulators, and the communities. Understanding the factors influencing purchase decisions helps the industry develop more effective marketing strategies and regulators formulate more appropriate consumer protection policies.

Students of The University of Darussalam Gontor, who are all Muslims, as be consumers who buy food products in terms of Muslim commodities. Therefore, this study seeks to uncover the potential of students' knowledge about food ingredients and production processes that can affect their desire to buy food products. As a critical community, students can be evaluated based on the amount of information they obtain and their ability to process that information based on the sources they obtain. It is necessary to conduct scientific research to obtain clear information accompanied by evidence about the influence of knowledge of food ingredients and knowledge of the

 $<sup>^{20}</sup>$  Ahmudin, "Analysis of Halalness of Food Products in an Effort to Protect Muslim Consumers."

production process on consumers' decisions to buy food products. This consideration is on the basis of interest in its use, with attention to the level of knowledge about food ingredients and knowledge about the production process of food products consumed in the young as students.

Therefore, the authors are interested in researching and examining how Knowledge about halal products can influence consumers in determining purchasing decisions on food products. So this study is entitled The Influence Of Food Ingredient Knowledge And Halal Production Processes On Food Product Purchase Decisions (Case Study at University of Darussalam Gontor Students)

## 1.2. Problem Formulation of Study

On the basis of the above, the author will formulate the problem as follows:

- 1. How does the knowledge of food ingredients influence the decision students of University of Darussalam Gontor to buy food products?
- 2. How much influence does the knowledge of the production process have on the decision students of University of Darussalam Gontor to buy food products?
- 3. How much influence does knowledge of food ingredients and knowledge of the production process have on food purchase decisions in students of University of Darussalam Gontor?

### 1.3. Purpose of Study

Based on the background and formulation of the existing problems, the objectives of this study:

1. To analyze how much knowledge of food ingredients influence the decision students of University of Darussalam Gontor to buy food products.

- To find out how much knowledge of the production process influence the decision students of University of Darussalam Gontor to buy food products.
- 3. To find out the level of influence of knowledge of food ingredients and production processes on purchasing decisions in students of University of Darussalam Gontor

# 1.4. Benefits of Study

### 1.4.1. Theoretical Benefits

This research aims to assist readers in recognizing the significance of examining the ingredients listed on a product when using or consuming it. Furthermore, it is anticipated that this research will serve as a valuable reference for future researchers, providing information that can enhance readers' knowledge.

# 1.4.2. For the Benefits

### a. For the Community/Students

This research is expected to inform the public and students about how knowledge of food ingredients and the production process can influence their decisions when purchasing food products.

### b. For the next researcher

The findings of this study are anticipated to assist other researchers in exploring how students' understanding of the ingredients in food products and their knowledge of the production process can impact consumers' willingness to purchase these items. Additionally, it is hoped that the results of this research will aid stores around the University of Darussalam Gontor in understanding how knowledge of food manufacturing and production processes can influence consumer buying decisions.