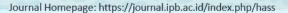


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Halal Studies and Society





Determinants that affect generation Z consumer loyalty in Wardah skincare

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A B S T R A C T ARTICLE INFO

In 2022, the skincare market in Indonesia was observed to generate revenue of approximately US\$ 2.05 billion. In this market, consumers tend to prefer local products that adhere to the standards of halal and are widely recognized. A prominent, current, and popular skincare brand that has been found to adhere to these standards is Wardah. Between 2020 and 2021, Wardah experienced an increase in market share, showing a growing preference for its products among consumers. However, from 2023 to 2024, a significant decline has been observed in the market share of the brand, signaling a reduction in consumer preference. This trend is a critical concern for the company, as it emphasizes the need to address the factors contributing to the decline and to implement strategies that are capable of enhancing the appeal of products produced by Wardah, enabling the brand to remain competitive. Therefore, this study aimed to analyze the factors influencing the loyalty of Generation Z consumers toward Wardah skincare products in the Jabodetabek region. The demographic was observed because, conventionally, Generation Z, which constitutes around 27% of the population of Indonesia (75 million people), is often targeted as the primary market to build consumer loyalty for the majority of products. In order to achieve the study objectives, a sample of 135 respondents was selected using a non-probability sampling method, specifically the purposive sampling technique. The data was then analyzed using the Structural Equation Model-Partial Least Square (SEM-PLS) method. The obtained results showed that brand trust and perceived value had a significant and positive impact on consumer loyalty. These observations suggest that companies should focus on maintaining and strengthening brand trust, fostering a strong brand community, and raising awareness about the importance of halal certification in skincare products. Additionally, efforts should be made to educate consumers about the value of halal-certified skincare products, as this can fur

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1 Introduction

Cosmetics are substances or products that have been found to play a significant role in enhancing the beauty and attractiveness of women. As stated in a previous study, these products are generally divided into two categories based on usage namely skincare and makeup (Azizah et al. 2021). Skincare, in particular, is crucial for maintaining healthy skin, especially the face, as it is a primary feature people notice (Susanto et al. 2023). According to Databoks (2022), the personal care industry in Indonesia generated US\$ 3.18 billion in revenue in 2022, including US\$ 2.05 billion from skincare, US\$ 1.61 billion from cosmetics, and US\$ 39 million from perfumes. Typically, the growth of the skincare industry in Indonesia is driven by its large Muslim population, which comprises approximately 240.62 million people, the largest in Southeast Asia (RISSC 2023). In the country, halal products, including cosmetics, are governed by the Law of Indonesia Number 33 of 2014 on Halal Product Assurance, which mandates halal certification for various product categories. A survey by Populix, as reported in Databoks (2022), found that 54% of Indonesian female consumers prefer local halal-certified brands over foreign ones. This is evidenced by the fact that Wardah, a popular local brand, is favored by 48% of consumers due to its high-quality products, which are formulated with natural ingredients, free of alcohol, and safe for use. The strong market presence of Wardah is reflected in its sales, which amounted to IDR 455 billion in 2021-2022 through e-commerce channels (Compas 2022), showing high consumer interest in the brand.

Skincare is particularly popular among Generation Z (those born between 1997 and 2012), who represent a significant portion of the population in Indonesia. As reported by GoodStats (2023), Generation Z comprises 74.93 million people or 27.94% of the population in the country. According to previous studies, in the Jabodetabek area (Jabodetabek-Jakarta, Bogor, Depok, Tangerang, and Bekasi) the total

population of Generation Z was 12.8 million and 23.5 million in 2020 and 2022 respectively (BPS 2023). This demographic has been observed to spend considerable time on technology, particularly social media, and frequently makes online purchases (Ng et al. 2021). Given the large size and digital engagement, Generation Z offers significant potential for the growth of the cosmetics industry, particularly skincare. This is evidenced by the observation that self-care, including skincare routines, is a common way for the demographic to manage stress (Putri & Qurniawati 2023). It is important to state that as the halal cosmetics industry, particularly skincare, continues to grow rapidly, Wardah remains a favored brand among Indonesian consumers. Therefore, in order to stay competitive in the fast-evolving beauty industry, Wardah must continuously strengthen its brand image and product offerings to maintain and increase market share. Figure 1 shows a graph of the market share of Wardah in skincare, as cited from the Top Brand Award.

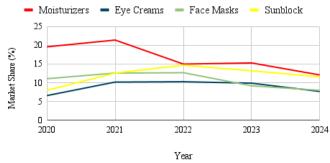


Figure 1: The sales of Wardah skincare products in 2020-2024, Source: Data processed from Top Brand Award (2024)

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Figure 1 shows the sales trends of Wardah skincare products from 2020 to 2024, categorized into moisturizers, eye creams, face masks, and sunblock. The graph shows a significant increase in sales between 2020 and 2021, signifying that a growing number of consumers preferred Wardah products during this period. However, a slight decline in sales is observed from 2023 to 2024, reflecting a decrease in consumer preference for the brand. This decline is a critical concern for the company, as it signals the need to address potential shifts in consumer behavior. Based on observations, the majority of consumers tend to use Wardah products for periods ranging from four months to one year, with the duration and variety of products used directly influencing consumer loyalty. To further strengthen this loyalty, Wardah has established communities comprising students and professionals, with the aim of fostering a sense of connection and sustained brand engagement. Given the substantial size of Generation Z, which represents a significant portion of the population of Indonesia, it is crucial for Wardah to focus on cultivating and maintaining loyalty among this demographic to expand its market share. Conventionally, consumer loyalty is characterized by the continued use of a product and a resistance to switching to other brands. This loyalty is often driven by brand trust and the desire of a consumer to repeat purchases (Kurniasih et al. 2023). In addition to trust, consumers have been found to also evaluate a brand based on its perceived value. In this context, Wardah usually contributes to social value by supporting various foundations, communities, educational initiatives, the empowerment of women, and scholarships. These efforts have been observed to significantly enhance the perceptions and loyalty of customers towards the brand.

This study aimed to explore the characteristics of Generation Z consumers who use Wardah skincare products, focusing on key variables such as brand community, brand trust, halal awareness, and perceived value. The investigation is particularly important, considering the fact that previous studies have not thoroughly examined the impact of brand community on consumer loyalty in the cosmetics industry. The present study was conducted in the Jabodetabek area, with 135 Generation Z respondents who had purchased Wardah skincare products at least twice. Accordingly, it hypothesizes that brand community, brand trust, halal awareness, and perceived value all significantly influence consumer loyalty in choosing the Wardah brand.

2 **Literature Review**

2.1 Previous Studies

2.1.1 Consumer Behavior

Consumer behavior refers to the study of how individuals, groups, and organizations select, purchase, and utilize goods, services, ideas, and experiences to satisfy inherent needs and desires (Kotler & Keller 2016). According to a previous study conducted by Sumarwan (2017), consumer behavior comprises activities, behaviors, and psychological processes that influence consumer actions before, during, and after making a purchase, as well as while using or consuming products and services. Various factors have been observed to influence consumer behavior, including cultural, social, personal, and psychological elements.

2.1.2 Consumer Loyalty

Consumer loyalty refers to the commitment of a consumer to This type of commitment is usually consistently repurchase a brand. driven by emotional and psychological attachment to the brand (Sumarwan 2017). Alternatively, Kotler & Keller (2016) defined consumer loyalty as the dedication to repurchase a product or service in the future. Griffin (2002) identified several key indicators for measuring consumer loyalty, which include:

- Making recurring purchases; Making purchases between product and service lines in the same company:
- roviding product or service recommendations to others;
- Demonstrating a behavioral pattern that is immune to similar products from competitors.

2.1.3 Brand Community

A brand community is a unique group of consumers and company employees whose activities are centered around a specific brand (Kotler & Keller 2016). Typically, these communities offer several advantages, such as enhanced communication opportunities between companies and customers, the ability to build consumer loyalty, and the dissemination of product information (Jang et al. 2008). Brand community conventionally originate from the brand itself and expand through the relationships formed among members with a shared interest in the brand. According to Lestari et al. (2023), both customer experience and brand community variables positively and significantly influenced brand loyalty among Suzuki car users in Indonesia.

2.1.4 Brand Trust

Brand trust refers to the sense of security consumers feel when engaging with a service provider. Security, in this regard, includes ensuring that interactions between a service provider and a customer are

confidential, thereby fostering confidence in the provider (Tran & Cox 2009). It is essential to comprehend that while brand trust positively influences purchase loyalty, its effect may not always be significant (Chaudhuri & Holbrook 2001). However, according to Nofriyanti (2017), brand trust, along with brand image and perceived quality, significantly impacted brand loyalty.

2.1.5 Halal Awareness

For Muslims, it is a religious obligation to consume and use halal products, which extends beyond food to include cosmetics. Considering this fact, Halal awareness can be inferred to play a significant role in influencing consumer loyalty when purchasing products (Sartika & Motik 2021). Key characteristics of halal awareness include knowledge of halal principles, prioritization of halal products, recognition of the importance of the products, and concerns about product safety (Juliana et al. 2022). In accordance with this, a study by Sartika & Motik (2021), also found that halal awareness, religiosity, and knowledge positively and significantly impacted consumer loyalty.

2.1.6 Perceived Value

Perceived value is defined as the balance between the benefits and costs that potential customers evaluate when considering different alternatives (Kotler & Keller 2016). Generally, marketers can enhance the perceived value of a product by increasing its economic, functional, and emotional benefits or by reducing one or more associated costs. Regardless of this understanding, a study by Vaniara & Pramono (2022) showed that while perceived value had a positive impact on consumer loyalty, its influence is statistically insignificant.

2.2 Conceptual Framework and Hypotheses

A previous study by Nofriyanti (2017) examined the influence of brand trust, brand image, and perceived quality on brand equity. The investigation also explored how the three independent variables influenced brand loyalty, as well as the relationship between brand loyalty and brand equity (Figure

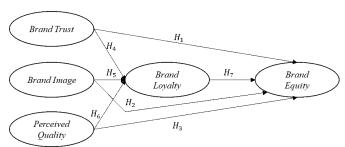


Figure 2: Outer model of conceptual framework (Nofriyanti 2017), H₁ (brand trust has a significant influence on brand equity), $\rm H_2$ (brand image has a significant influence on brand equity), $\rm H_3$ (perceived quality has a significant influence on brand equity), H₄ (brand trust has a significant influence on brand loyalty), H₅ (brand image has a significant influence on brand loyalty), H₆ (perceived quality has a significant influence on brand loyalty), H7 (brand loyalty has a significant influence on brand equity)

The current study includes the incorporation of variables namely brand trust and perceived value from a previous investigation while substituting the brand image variable with brand community and halal awareness to correspond with the focus and scope of the present investigation. Therefore, this study aims to explore the relationships between brand community, brand trust, halal awareness, and perceived value, as well as the respective impact of each variable on consumer loyalty among Wardah skincare product users. The inclusion of the brand community variable reflects the current trend where many beauty brands establish dedicated community. A brand community has been observed to foster shared interest, create engagement, build connections, and strengthen the relationship between consumers and brands (De Valck et al. 2009). Figure 3 presents the model adopted during the course of this study.

3 Methodology

Sources and Methods of Data Collection

The present study adopted a quantitative approach, utilizing both primary and secondary data. Data collection was carried out from April to May 2024 in the Jabodetabek area, using online questionnaires distributed through social media platforms. Subsequently, the study sample comprised 135 respondents, all of which were determined based on the number of variable indicators (27 indicators multiplied by 5, as per Hair et al. (2016)). Several criteria were used for sample selection, including the fact that each participating individual must be a Muslim, reside in Jabodetabek, be a member of Generation Z aged 11-27 years, and have purchased as well as used Wardah skincare products at least twice.

Table 1: Respondents characteristics of research

Characteristics	Category	Number (respondents)	Percentage (%)
	Jakarta	25	18.5
	Bogor	66	48.9
Domicile	Depok	13	9.6
	Tangerang	14	10.4
	Bekasi	17	12.6
A	18 – 21	69	51.1
Age	22 – 25	66	48.9
	Student	123	91.4
Occupation	Private employees	10	7.4
·	Entrepreneur	25 18.5 66 48.9 13 9.6 14 10.4 17 12.6 69 51.1 66 48.9 123 91.4 10 7.4 2 1.5 97 71.9 37 27.4 1 0.7 68 50.4 51 37.8 13 9.6 2 1.5 1 0.7 31 23.0 75 55.6 27 20.0 1 0.7 1 0.7 1 0.7 122 90.4 7 5.2 6 4.4 107 84 14.4 29 8.0 48 13.8 50 24.1 28 8.3	1.5
	High school	97	71.9
Education	Bachelor's degree	37	27.4
	Master/doctoral degree	1	0.7
	< IDR 1.000.000	68	50.4
	IDR 1.000.000 - IDR 2.500.000	51	37.8
Revenue per month	IDR 2.500.001 - IDR 5.000.000	13	9.6
ge ccupation ducation evenue per month expenses for buying skincare per month equency of buying skincare per month	IDR 5.000.001 - IDR 7.500.000	2	1.5
	IDR 7.500.001 - IDR 10.000.000	1	0.7
	< IDR 100.000	31	23.0
	IDR 100.000 - IDR 250.000	75	
Expenses for buying skincare per month	IDR 250.001 - IDR 500.000	27	20.0
,	IDR 500.001 - IDR 750.000	1	
	IDR 750.001 - IDR 1.000.000	1	0.7
	1-3 times	122	90.4
Frequency of buying skincare per month	4-6 times	7	5.2
, , , , , ,	> 6 times	lent 123 91.4 ate employees 10 7.4 ate employees 1.5 1.5 at 1.0 a	4.4
	Face wash/cleanser	107	30.7
penses for buying skincare per month quency of buying skincare per month	Toner	84	14.4
	Serum essence		8.0
Types of skincare used	Moisturizer		
ge ccupation ducation evenue per month expenses for buying skincare per month equency of buying skincare per month	Sunscreen		
	Face mask		8.3
	Eye cream	2	0.6

Source: Primary data (processed) 2024

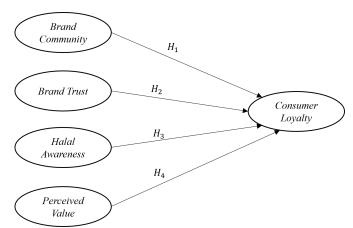


Figure 3: Research model of the study, H_1 (brand community affects the loyalty of Generation Z consumers to Wardah skincare), H_2 (brand trust affects the loyalty of Generation Z consumers to Wardah skincare), H_3 (hala awareness affects the loyalty of Generation Z consumers to Wardah skincare), H_4 (perceived value affects the loyalty of Generation Z consumers to Wardah skincare)

3.2 General Description of Structural Equation Modeling Partial Least Square (SEM-PLS)

The current study adopted a quantitative descriptive analysis approach using the SEM-PLS method. This approach was used to describe the characteristics of the respondents in tabular form. Accordingly, the SEM-PLS analysis was utilized to examine the relationships between the variables of brand community, brand trust, halal awareness, and perceived value, alongside the respective impact of the variables on the loyalty of Generation Z consumers. SEM-PLS is a multivariate statistical method that integrates regression and factor analysis to evaluate variable relationships, indicator associations, and associated constructs. Conventionally, the statistical technique is built on two models, namely,

- a. The measurement or Outer Model: This model shows the relationships between latent variables, denoted as circles or ovals. It includes tests for Convergent Validity, Discriminant Validity, and Composite Reliability to ensure the accuracy and reliability of the measurement.;
- b. The structural model or Inner Model: This model represents the relationships between constructs and indicator variables, visualized as rectangles. Assessment of the model includes evaluating the R-squared value and performing t-statistical tests through the bootstrapping process using analysis software.

4 Result

4.1 Respondent Characteristics

The respondents in this study consisted of 135 individuals and the target population was Muslim members of Generation Z, residing in the Jabodetabek area, who had purchased or used Wardah skincare products at least twice. Accordingly, the characteristics of the respondents were analyzed based on age, domicile, education, occupation, frequency of purchases, income, expenses, and types of Wardah skincare products purchased. These characteristics are presented as percentages, reflecting the distribution of responses, as shown in Table 1.

Table 1 presents the characteristics of the 135 respondents, and as can be observed, the majority of respondents (48.9%) were residents of Bogor, and 51.1% were aged between 18 and 21 years. In terms of education, 71.9% were still schooling, while 71.9% (97 respondents) were already high school graduates. Regarding income, 50.4% earned less than IDR 1,000,000 per month, and concerning skincare expenditure, the majority (55.6%) spent between IDR 100,000 and IDR 250,000 per month. Lastly, 90.4% of the respondents purchased skincare products 1-3 times per month.

4.2 Results of Analysis Structural Equation Model - Partial Least Square (SEM-PLS)

4.2.1 Outer Model (Convergent Validity)

Convergent validity was assessed to determine the validity of the relationship between the indicator variables alongside respectively associated constructs. This evaluation was carried out by examining the outer loadings of each indicator and the Average Variance Extracted (AVE value for each variable. In accordance with pre-existing standards, an AVE value greater than 0.5 shows that the indicators meet the requirements for convergent validity, signifying the model is both valid and well-constructed.

Table 2: Average variance extracted value of convergent validity

Variable	Average variance extracted value
Brand community	0.609
Brand trust	0.613
Halal awareness	0.497
Consumer loyalty	0.578
Perceived value	0.503

Source: Primary data processed (2024)

Table 2 shows that one latent variable, halal awareness, had an AVE value below 0.5, specifically 0.497. However, the other variables yielded AVE values greater than 0.5, meeting the criteria for a valid and well-constructed model. To improve the AVE value for the halal awareness variable, the indicator with the smallest loading factor, HA4, which had a loading factor of 0.547, was eliminated. This adjustment was observed to significantly enhance the validity of the model. Figure 3 presents the final test model after eliminating the indicator.

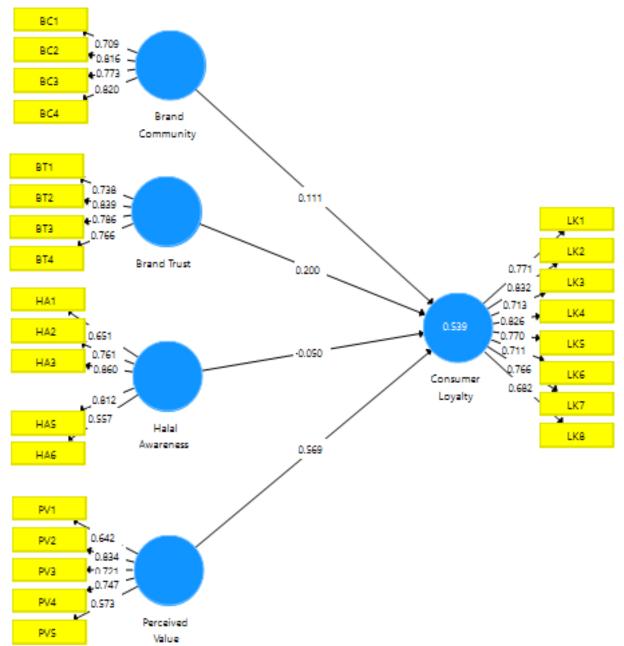


Figure 4: Final loading factor value, Source: Primary data processed (2024)

Figure 4 shows that the loading factor values for each indicator are greater than 0.5, meeting the minimum requirement for convergent validity. Subsequently, the AVE values for each latent variable were reviewed, as presented in Table 3, to further assess validity.

Table 3: Average variance extracted value values of retesting

Variable	Average variance extracted value
Brand community	0.609
Brand trust	0.613
Halal awareness	0.543
Consumer loyalty	0.578
Perceived value	0.503

Source: Primary data processed (2024)

Table 3 shows that all latent variables have an AVE value > 0.5. This signifies that all latent variables in this study met the convergent validity test and had good validity values.

4.2.2 Outer Model (Discriminant Validity)

Discriminant validity tests were conducted to confirm that each latent variable was distinct from other latent variables, ensuring that the correlation of indicators with respective latent variables is higher than with others. This distinction was assessed using both cross-loading values and the Fornell-Larcker Criterion. The results of the Fornell-Larcker Criterion analysis are presented in Table 4, while the cross-loading values are included in the appendix.

Table 4: Fornell larcker criterion values of discriminant validity

	ВС	BT	HAS	P.	PV
BC	0.781				
BT	0.488	0.783			
HAS	0.463	0.312	0.737		
P.	0.504	0.505	0.339	0.760	
PV	0.560	0.467	0.482	0.701	0.709

Source: Primary data processed (2024), note: brand community (BC), brand trust (BT), halal awareness (HAS), consumer loyalty (P), perceived value (PV)

4.2.3 Outer Model (Composite Reliability)

Reliability tests were carried out to evaluate the accuracy, consistency, and precision of the indicators used to measure the latent variables. Following pre-existing standards, a composite reliability value greater than 0.7 indicates that the measurement meets the necessary criteria, showing consistency and reliability. The composite reliability values obtained in this study are presented in Table 5.

4.2.4 Inner Model (Path Coefficient Significance Test)

Regarding the path coefficient significance test, the current study applied a 5% significance level with a t-statistic threshold of 1.96. The test was carried out with the aim of identifying the relationships between latent variables, which were analyzed through bootstrapping results. These results showed the original sample, t-statistics, and p-values. The outcomes of the bootstrapping analysis are presented in Figure 5.

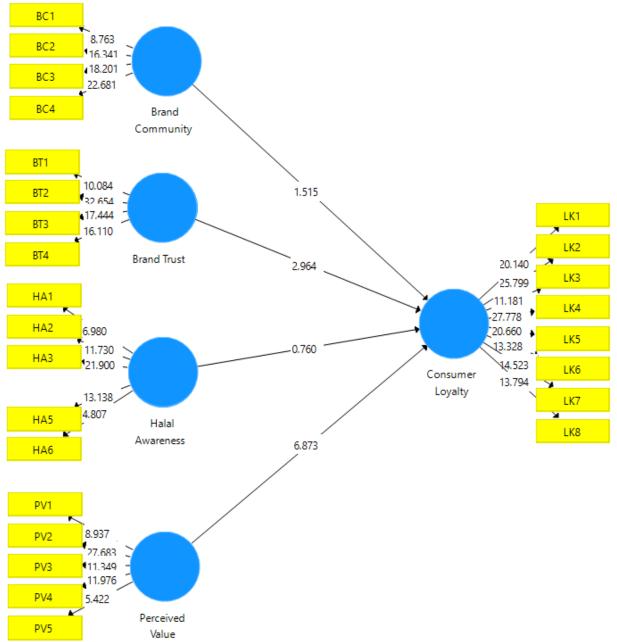


Figure 5: Bootstrapping results of path coefficient significance test, Source: Primary data processed (2024)

Table 5: Output composite of reability test

	Cronbach's alpha	Composite reliability
Brand community	0.794	0.862
Brand trust	0.796	0.864
Halal awareness	0.787	0.853
Consumer loyalty	0.895	0.916
Perceived value	0.751	0.833

Source: Primary data processed (2024)

The hypothesis testing and significance test results were evaluated using the original sample, t-statistics, and p-values. Within this context, it is important to state that a hypothesis is only accepted if the p-value is less than 0.05 and the t-statistic exceeds 1.96 (the t-table value), showing a significant relationship between the latent variables. Subsequently, the direction of the relationship was determined by the original sample value. In this case, a positive relationship is shown if the value is greater than 0, and a negative relationship if the value is less than 0, as presented in Table 6.

Table 6: Path coefficient value of inner model

	Original sample	T-statistic	s P-value
Brand community → Consumer loyalty	0.111	1.515	0.130
Brand trust \rightarrow Consumer loyalty	0.200*	2.964*	0.003*
Halal awareness → Consumer loyalty	-0.050	0.760	0.448
Perceived value → Consumer loyalty	0.569*	6.873*	0.000*

Source: Primary data processed (2024), [*] Significant

4.2.5 Inner Model (R-Square)

A determinant coefficient test was used to assess the extent to which the dependent variable was influenced by the independent variables. The test results, presented in Table 7, showed that consumer loyalty, as the dependent variable, had an R-square value of 0.539. This implies that the variables brand community, brand trust, halal awareness, and perceived value collectively explained 53.9% of the variance in consumer loyalty, while the remaining 46.1% was attributable to other factors not included in the model.

Table 7: R-square value of inner model

Variable	R-square	R-square adjusted
Consumer loyalty	0.539	0.525

Source: Primary data processed (2024)

4.2.6 Inner Model (Test the Relevance of Predictions (Q2))

The Q-square test was used to assess the predictive relevance of the model and the accuracy of the observation values. Conventionally, a Q-square value greater than 0 reflects that the exogenous variables have good predictive power for the endogenous variables and vice versa.

4.2.7 Inner Model (Effect Size (F-Square)

Effect size analysis was adopted to predict the influence of the relationships between the variables in the structural model. Table 3 presents

the results of the F-square test, which examined the impact of the four independent variables on the dependent variable.

Table 8: R-square value of inner model

	Consumer loyalty	
Brand community	0.016	
Brand trust	0.062	
Halal awareness	0.004	
Perceived value	0.411	

Source: Primary data processed (2024)

Table 8 shows the obtained effect size values for the variables affecting consumer loyalty. As presented, the effect size of the halal awareness and brand community variables are 0.004 and 0.016 respectively, signaling that the variables have minimal or an insignificant impact on consumer loyalty. However, it is important to state that brand trust showed an effect size of 0.062, signifying a medium influence on consumer loyalty. The perceived value variable, with an effect size of 0.411, showed a significant influence on consumer loyalty.

Discussion

The Influence of Brand Community on Consumer Loyalty

The results of the path coefficient test, as presented in Table 6 showed that the brand community variable did not significantly influence consumer loyalty. This was evidenced by a t-statistic value of 1.544, which is less than the critical value of 1.96, and a p-value of 0.123, greater than 0.05. Although the relationship between the brand community and consumer loyalty was positive, as reflected by an original sample value of 0.111, the effect was not statistically significant. These findings are in line with a previous study conducted by Coelho et al. (2018), where it was suggested that interactions within brand community may not be sufficiently effective in fostering consumer loyalty. The study emphasized that inadequate consumer participation in brand community could lead to weaker relationships and limited consumer loyalty. In the context of the current study, the relationship between consumers and Wardah skincare products remained relatively weak, contributing to insufficient consumer loyalty.

The Influence of Brand Trust on Consumer Loyalty

Based on the results presented in Table 6, it can be seen that the relationship between brand trust and consumer loyalty was both positive and significant. This is evidenced by a t-statistic value of 2.624, which exceeds the critical value of 1.96, and a p-value of 0.009, less than the 0.05 threshold. Additionally, the original sample value of 0.200 is greater than 0, signifying a positive relationship. The observations made led to the inference that increases in brand trust were directly proportional to increases in consumer loyalty toward Wardah skincare products, and vice versa. These findings corroborate a previous study by Nofriyanti (2017), who reported that brand trust significantly and positively influenced consumer lovalty.

The Effect of Halal Awareness on Consumer Loyalty

The relationship between halal awareness and consumer loyalty was observed to be negative and insignificant. As shown in Table 6, the t-statistic value is 0.784 (less than the critical value of 1.96), the p-value is 0.434 (greater than 0.05), and the original sample value is -0.050 (less than 0), signifying a negative relationship. This suggested that an increase in halal awareness would not significantly impact consumer loyalty towards the skincare products of Wardah.

The lack of significant influence was attributed to the low level of halal awareness among Generation Z consumers. This was evidenced by the fact that the majority of the respondents elucidated an insufficient understanding of the importance and safety of halal-certified skincare products. elucidation is in line with the study by Nurcahyono & Hanifah (2023), who found that halal awareness significantly influenced consumer loyalty, as consumers often do not fully integrate halal considerations into daily product choices. Similarly, Hashim & Musa (2014), stated that young consumers generally exhibited low halal awareness regarding cosmetics. Based on these investigations, it can be inferred that insufficient halal awareness regarding skincare products amongst Generation Z is evident.

The Effect of Perceived Value on Consumer Loyalty

Based on the path coefficient test results presented in Table 6, the relationship between perceived value and consumer loyalty is both positive and significant. This is evidenced by the obtained t-statistic value of 7.021, greater than the critical value of 1.96, and the p-value of 0.000, which is less than 0.05, signifying a significant relationship. The positive direction of this relationship is confirmed by the original sample value of 0.569, which is greater than 0. The results imply that increases in perceived value lead to higher consumer loyalty towards Wardah skincare products. Accordingly,

the findings are in line with Molinillo et al. (2021), who reported that perceived value significantly enhanced consumer loyalty. Consumers who perceive higher value are more probable to repurchase, recommend the brand to others, and possess loyal behaviors.

Conclusion

In conclusion, this study surveyed 135 respondents from Jabodetabek, predominantly aged 18-21 years, with the minimum educational level being high school and a monthly income below IDR 1,000,000. Furthermore, the majority of the respondents were observed to purchase Wardah skincare products 1-3 times per month, with spending typically between IDR 100,000 and IDR 250,000. In order to achieve the study objectives, an analysis was carried out using the SEM-PLS method and the obtained results showed that brand trust and perceived value had a significant positive impact on consumer loyalty. Brand community showed a positive but insignificant effect, while halal awareness had a negative and insignificant effect. Following the observations made during the course of the investigation, it was recommended that for companies to effectively enhance consumer loyalty, attention must be given to the building of brand trust and perceived value, as these factors significantly influence consumer loyalty. Additionally, consumer engagement with the brand community and awareness about the importance of halal skincare, especially among Generation Z, should be increased significantly through collaborations and accessible information, as this can further strengthen consumer loyalty.

Conflict of Interest

The authors declare no conflict of interest.

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