

THE INFLUENCE OF CONSUMER KNOWLEDGE OF HALAL SUPPLY CHAIN PRACTICES ON PURCHASE INTENTION IN HALAL PERSONAL CARE & BEAUTY PRODUCTS

Yayang Adiningtyasa, Erlinda Nusron Yunus¹

Sekolah Tinggi Manajemen PPM
Jl. Menteng Raya 9, Jakarta 10340, Indonesia

Article history:

Received
23 March 2024

Revised
19 April 2024

Accepted
16 July 2024

Available online
30 September 2024

This is an open access article under the CC BY license (<https://creativecommons.org/licenses/by/4.0/>)



Abstract:

Background: As a country with the largest Moslem population in the world, halal products are in demand in Indonesia, and manufacturers need to start implementing halal supply chain practices to ensure that their products meet the halal standards of Moslem communities. Consumer knowledge about the Halal Supply Chain is now more essential, ensuring product compliance with halal standards and religious integrity.

Purpose: This research analyzes the influence of consumers' knowledge about the Halal Supply Chain (such as sourcing, production, handling and storage, logistics and packaging, and retailing) on purchase intention for personal care and beauty products.

Design/methodology/approach: The research uses an explanatory quantitative approach through an online survey with instrument test analysis, and hypothesis testing using multiple linear regression. Data were collected using convenience sampling and the snowball approach.

Findings/results: The results of statistical tests on 104 valid consumer data show that halal resourcing positively influences consumers' purchasing interest in personal care and beauty products. Meanwhile, there needs to be more evidence that other aspects, namely halal sourcing, production, handling and storage, logistics and packaging, and retailing, positively affect purchasing interest.

Conclusion: Developing a halal supply chain will be one strategy for responding to market demands. This requires producers to carry out production, storage, and delivery in a halal manner or under Islamic law. This research shows that consumer knowledge about halal raw materials significantly affects their intention to purchase halal personal care and beauty products. Managers must ensure that information about halal raw materials is communicated to consumers because it will attract their buying interest. Further research could enrich the results of this study with data from companies' perspectives.

Originality/value (state of the art): This research highlights the importance of consumer knowledge of halal supply chain practices in influencing purchasing interest in halal personal care and beauty products. Consumer understanding regarding halal products and halal supply chain practices is key to understanding increasingly religious purchasing behavior in Indonesia. This research contributes to supply chain management literature in the field of Halal Supply Chain as well as to Indonesian companies in the personal care and beauty industry.

Keywords: purchase intentions, halal logistics, halal resourcing, halal supply chain, personal care and beauty products

¹ Corresponding author:
Email: erl@ppm-manajemen.ac.id

INTRODUCTION

Indonesia is one of the countries with the largest population in the world and currently ranks fourth after India, China, and the United States. BPS (Badan Pusat Statistik, or Central Bureau of Statistics) reported that by mid-2023, Indonesia's population reached 278,696.2 thousand people. A large population's existence will certainly influence society's complexity and diversity. One aspect that has a significant influence on the dynamics of Indonesian society is religion. As is known, Indonesia is one of the countries with the largest Moslem population in the world. According to data from The Royal Islamic Strategic Studies Center (RISSC) entitled *The Muslim 500 2022* edition, around 86.7% or 231.06 millions of Indonesia's population embrace Islam. This significantly influences various social, cultural, and economic aspects.

The sizeable Muslim population in Indonesia forms the foundation of religious values, principles, and practices in everyday life. In this context, Islamic values are reflected in spiritual aspects, as well as product and service consumption choices. Many Indonesian consumers, the majority of whom are Moslems, increasingly consider it essential to choose products that not only improve their physical appearance but also comply with the halal principles adhered to by the Islamic religion. In fact, the trend of a halal lifestyle has begun to grow and develop in the Moslem community (Jailani and Adinugraha, 2022). Several economic experts indicate that Sharia business opens up tremendous opportunities in the industry, considering that Moslem consumption expenditure has experienced significant growth over time; in 2019, Moslem consumption expenditure reached 4.9 trillion, and projections show a further increase until 2024 (Gateway, 2020).

One industrial sector that is influenced by Islamic values and principles is the personal care and beauty industry. The personal care and beauty industry sells consumer goods such as facial and lip cosmetics, skin care products, fragrances, and personal care products. The personal care and beauty industry has recently achieved extraordinary growth in Indonesia. According to Statista data, revenue from personal care and beauty products reaches US\$8.09 billion in 2023. This market is expected to grow at an annual growth

rate of around 4.58%. The change in consumer mindset attracts attention, whereas apart from aesthetic factors, the halal aspect is also a primary consideration when choosing products. Halal personal care and beauty products are increasingly becoming a relevant choice in response to the needs of consumers who tend to be religious. Moreover, the Indonesian government has implemented Law No. 3 of 2014 concerning mandatory halal certification for products circulating in Indonesia. All industries must respond by ensuring the entire supply chain complies with Islamic rules for halal certification.

This brings attention to the importance of knowledge about the Halal Supply Chain concept for products purchased or consumed by Moslems in Indonesia. A halal supply chain means managing the flow of materials, information, and assets effectively so that the product's halal and goodness (or Halal and *Toyyib*) can be maintained until it reaches the hands of consumers (Khan et al. 2018). Consumer knowledge of a product's halalness is found to increase consumers' willingness to buy (Billah et al. 2020). The perception of halal labels has been found to significantly affect customers' purchases; however, these findings mainly apply for personal care products among students in a recent study by Irfan et al. (2024).

This research focuses on how consumer knowledge about halal supply chain practices influences purchasing intention in halal personal care and beauty products in Indonesia. Very little research is related to the Halal Supply Chain from a consumer perspective; therefore, more research is needed regarding the Halal Supply Chain from the perspective of consumers in Indonesia. With the rapid market development in personal care and beauty products, as well as the immense impact of the Moslem population in Indonesia in changing consumption trends, this research aims to investigate the impact of consumer knowledge about Halal Supply Chain practices on purchasing intention in halal personal care and beauty products in Indonesia. This study can provide valuable insight for industry players in presenting products that suit the demands and preferences of Moslem consumers in Indonesia. Furthermore, this research can contribute to a broader understanding of consumer trends in the halal product market, which is proliferating globally.

METHODS

This research examines the influence of halal supply chain practices on the intention to buy halal self-care and beauty products. Considering that purchasing intention needs to be measured from the consumer's side, the unit of analysis for this research is consumers of personal care and beauty products in Indonesia. Therefore, the halal supply chain is measured through consumer knowledge about good halal supply chain practices. The extent to which consumers know about the dimensions of the halal supply chain (procurement, production, handling and storage, logistics and packaging, and retail) influences their intention in purchasing halal personal care and beauty products.

The research population is individuals who regularly use and are potential consumers of halal personal care and beauty products in Indonesia. Considering that the actual population size is unknown, this research uses a variable basis to calculate the sample size. The minimum sample size recommended by Hair et al. (2019) is 15-20 times independent variables; in this study, it is 20×5 variables = 100 samples. After about a month of data collection, this study obtained 106 valid data.

This study employed a survey method through an online questionnaire around mid 2023. We used convenience sampling and snowball techniques, where respondents also helped distribute the questionnaire to their friends or acquaintances. Researchers collected empirical data by distributing the online questionnaire via social media platforms such as WhatsApp, Instagram, Email, and other social media to respondents in Indonesia.

The questionnaire was divided into three parts: the first part collected information about the socio-demographic characteristics of respondents, the second part explored data regarding purchasing intention in halal personal care and beauty products, whereas the last part focused on determining factors in the halal supply chain that influence consumer purchasing interest in halal personal care and beauty products. The questionnaire was adopted from the study of Sumarliah et al. (2021), where 26 questions measured five Halal Supply Chain variables and one dependent variable, namely purchase intention in halal personal care and beauty products. Halal supply chain consists of consumer knowledge about halal resourcing, halal producing, halal handling and storage, halal logistics and packaging, and halal

retailing. Due to space limitations, survey items are not detailed here but can be provided upon request.

The analytical methods used in this research are instrument testing (validity and reliability), classical assumption testing on the data obtained, and hypothesis testing with multiple regression using JASP ver. 0.16.4 based on R Lavaan. This study performed descriptive statistics and regression analysis. Descriptive analysis summarizes survey results by converting numerical data into visual representations such as graphs or charts. Meanwhile, regression analysis tested the impact of changes in the independent variable on the dependent variable. A multiple regression model was used in this research. Here is the model form:

$$Y = a + \beta_1 \text{RES} + \beta_2 \text{PRO} + \beta_3 \text{HAN} + \beta_4 \text{LOG} + \beta_5 \text{RET}$$

Note: Y (Purchase intention for halal personal care & beauty products); RES (Halal resourcing); PRO (Halal producing); HAN (Halal handling & halal storage); LOG (Halal logistics & halal packaging); RET (Halal retailing)

Multiple regression models are used to reveal the relationship between independent variables and dependent variables. In this context, this model is used to evaluate the extent to which customers' knowledge on halal resourcing, halal producing, halal handling & halal storage, halal logistics & halal packaging, and halal retailing, influence the intention to purchase halal personal care and beauty products.

The word "halal" comes from Arabic, which means something acceptable, permissible, and legal. Halal has often acknowledged in the context that food must be free from alcohol, not contain pork or its derivative products, and animals must be slaughtered according to Islamic law. However, halal covers more than just food needs and every aspect of life, including behavior, diet, clothing, ways of earning an income, and relationships (Alzeer et al. 2018). Every product consumed or worn by Moslems must go through a production process until the goods reach the consumers using a process that adheres to halal principles or can be called a halal supply chain. Halal supply chain means managing Halal products from suppliers to end customers. What differentiates a halal supply chain from a conventional supply chain is that it not only ensures customer satisfaction but also maintains the halal status of the product during the entire supply chain process; this

supply chain also pays attention to the use of a particular cold chain, including storage by Islamic law (Khan & Haleem, 2016).

Purchase intention provides clues or indications to producers regarding actual purchases (Morwitz, 2014). Purchase intention is also defined as consumer actions influenced by factors from outside and within the individual when deciding to purchase (Kotler and Armstrong, 2013). Indonesia is a country with a majority Moslem population, and people's buying interest in halal products is relatively high. High buying interest is influenced by two main factors: internal factors, such as the level of religiosity and awareness of halal, and external factors, such as halal labels or certification (Kusumastuti, 2020). In addition, some indications increasing consumer awareness about halal products, health, and values that are considered critical are increasingly encouraging consumer interest in buying halal products (Nurhasah et al. 2017).

Halal is not limited to food and drink or food products and drink products (as people usually think) but covers all aspects of a Muslim's life, including men and women (Khan and Haleem, 2016). All aspects consumed or worn by Muslims must be halal or follow Islamic law, including personal care and beauty products. Personal care and beauty products refer to skincare, cosmetics, and personal care such as shampoo, deodorant, and oral care. Increasing public awareness of Islamic law or the higher a person's religiosity, the higher their interest in buying halal cosmetic products (Adriani, 2020).

The initial phase in the supply chain is preparing the materials used to produce halal personal care and beauty products. Halal products must be free from components or substances prohibited in Islam for consumption, including raw materials, additives, and other raw materials (Puspitasari, 2019). These raw materials will influence purchasing decisions, and cosmetics that use halal raw materials will increase someone's interest in buying the product (Andriani, 2017). The product halal requirements set by LPPOM MUI cover several aspects. First, the product must be free from pork DNA and elements derived from pork. Second, the product must not contain substances declared haram, such as elements originating from the human body, blood, and feces. Third, all ingredients used in the product must come from animals slaughtered per Islamic sharia principles. Companies that use halal ingredients or

raw materials will increase the positive image in their consumers' eyes, so they will be more interested in buying the products offered rather than similar non-halal products.

H1: Halal resourcing has a significant positive relationship with purchasing intention in halal personal care and beauty products

The production process for halal personal care products and cosmetics must comply with Islamic provisions and sharia. Personal care and cosmetic products that already have halal certification also include processing production ingredients through genetic engineering and irradiation, which must be carried out per Islamic Sharia principles (Puspitasari, 2019). The production process for halal personal care and beauty products must be in a place free from uncleanness. In addition, the tools used in producing halal personal care and beauty products must also be clean and free from non-halal items. These practices will improve the consumers' willingness to buy the companies' products.

H2: Halal producing has a significant positive relationship with purchasing intention in halal personal care and beauty products

Halal personal care and beauty products must be handled and stored following the principles and Sharia that apply in Islam. The handling process for halal products must be separated from that of non-halal products and their storage. The possibility of a halal product becoming a non-halal one is more pronounced if it involves many handling points and requires distance travel to reach the consumer. This can happen if the concept of the halal supply chain is not understood by the parties involved in the supply chain, which causes the handling and storage of halal products to be mixed with non-halal products (Zulfakar et al. 2014). Apart from that, separating halal and non-halal products in different storage is also vital so that halal products are not contaminated by non-halal products (Zailani et al. 2020). One way to improve the integrity of the halal product supply chain so that handling and storage comply with Islamic rules is that halal product producers must be willing to send their employees to take part in training regarding handling halal products (Zulfakar et al. 2014).

H3: Halal handling has a significant positive relationship with purchasing intention in halal personal care and beauty products

Halal logistics is a new development triggered by the halal industry to expand the reach of halal from source to the point of purchase by consumers to maintain the integrity of halal products for end consumers and export markets. Extensive discussions show that conventional logistics of managing halal products do not provide complete confidence adequate for Moslem consumers, both in Moslem countries and in non-Moslem countries (Tieman, 2013). The basic concept of halal logistics prevents halal products from directly contacting non-halal products (Talib et al. 2015). Apart from logistics, the packaging used in halal products must also comply with applicable Sharia or Islamic principles. Halal products must comply with Sharia principles, including the design of images on the packaging. These images must not violate the halal concept, contain inappropriate elements, or cause discomfort, and include clear and relevant information, including using the official halal logo (Potluri and Potluri, 2018).

H4: Halal logistics and halal packaging have a significant positive relationship with purchasing intention in halal personal care and beauty products

Manufacturers of halal personal care and beauty products must implement a halal supply chain that covers all stages, including the retail trade stage. Halal retail trade aims to guarantee the authenticity of halal products when consumers buy them by effectively controlling the halal category supply chain process (Tieman and Ruiz-Bejarano, 2020). Separating halal products on different shelves or even providing a particular area for halal products will increase customers' purchasing intentions (Syukur and Nimsai, 2018).

H5: Halal retailing has a significant positive relationship with purchasing intention in halal personal care and beauty products

Based on previous studies, this study developed a theoretical framework regarding the influence of halal supply chain practices on the intention to buy halal self-care and beauty products. Halal supply chain was comprised of five dimensions or variables, that is: Halal Resourcing, Halal Producing, Halal Handling & Halal Storage, Halal Logistics & Halal Packaging, and Halal Retailing. All variables positively influence customers' Purchase Intention. Figure 1 depicts the theoretical framework that will be tested in this study.

RESULTS

Demographic Profiles

The number of respondents in this study was 106, with the majority of respondents being women, namely 64.2%. A total of 48.1% of respondents were less than 20 years old, and the majority lived in Surabaya at 35.8%. Table 1 provides a complete description of the demographic profile of the respondents in this study.

Instrument Test Results and Classical Assumptions

The initial stage of data analysis was testing the research instrument, namely its validity and reliability. The validity test ensures that the instrument used really measures the variable it wants to measure, while the reliability test ensures the consistency of the instrument's measurements (Hair et al. 2019).

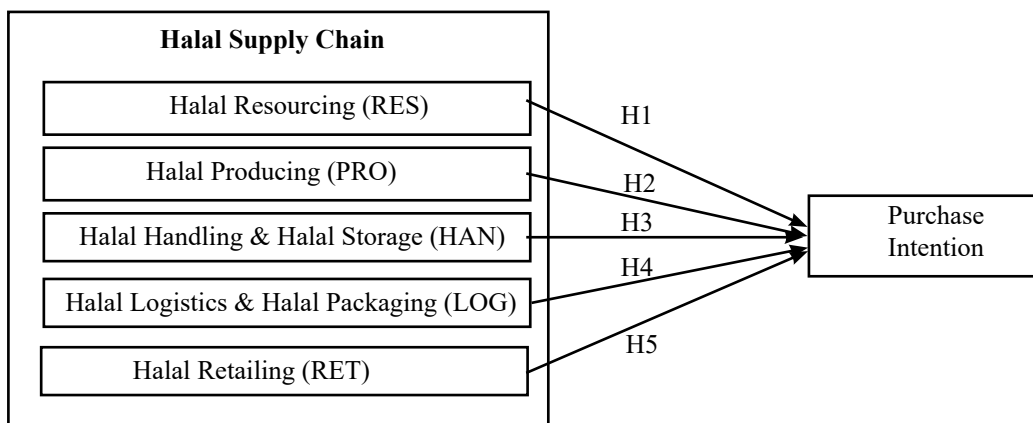


Figure 1. Theoretical Framework

Table 1. Respondents' Demographic and Profiles

Demographic Data (n=106)	n	%
Gender		
Female	68	64.2%
Male	38	35.8%
Age		
<20 years old (y.o.)	51	48.1%
21 - 25 y.o.	31	29.2%
26 - 30 y.o.	11	10.4%
31 - 35 y.o.	9	8.5%
36 - 40 y.o.	1	0.9%
>45 y.o.	3	2.8%
Education		
Elementary School	1	0.9%
Middle School	1	0.9%
High School	26	24.5%
Diploma/Bachelor	61	57.5%
Master's or Doctoral	16	15.1%
Vocation School	1	0.9%

Demographic Data (n=106)	n	%
Resident		
Jakarta	31	29.2%
Bogor	7	6.6%
Depok	4	3.8%
Tangerang	2	1.9%
Bekasi	7	6.6%
Surabaya	38	35.8%
Jambi	5	4.7%
Kalimantan	2	1.9%
Others	10	9.4%
Monthly Income		
N.A.	54	50.9%
<IDR5.000.000	30	28.3%
IDR5.000.001 - IDR10.000.000	10	9.4%
IDR10.000.001 - IDR15.000.000	5	4.7%
IDR15.000.001 - IDR20.000.000	2	1.9%
>IDR20.000.000	5	4.7%

This study uses exploratory factor analysis (EFA) to test the validity, in which EFA results show valid indicators in measuring the target variables (i.e., loading above 0.5 according to Hair et al. (2019), especially after removing several indicators with low loading, namely RES 3, RES 4, and RES 5 from the resourcing variable, PRO 1 and PRO 2 from the production variable, LOG 1 and LOG 2 from the logistics and packaging variable, HAN 4 from the handling and storage variable, and RET 1 and RET 2 from the Retailing variable. These results were confirmed using confirmatory factor analysis (CFA) from JASP 0.16.4. Next, a reliability test was carried out using Cronbach's Alpha and McDonald's w. The results of the validity and reliability tests can be seen in Table 2.

Next, the 106 data were tested to ensure their conformity with the assumptions of normality, homoscedasticity, and multicollinearity. Residual value mapping showed data points around the diagonal line, but some of the initial and final data are away from the diagonal. This result indicates the possibility that the data is not normally distributed. However, we did not perform data transformation at this point; we acknowledged this limitation at the end of the paper.

The homoscedasticity test was carried out using Levene's Test, where a significant p-value indicates heteroscedasticity. Since all variables were not significant (p -value > 0.05), the data met the assumption of homoscedasticity. Table 3 displays the test results.

This study evaluated multicollinearity by evaluating the tolerance and VIF (Variance Inflation Factor) values. Hair et al. (2019) suggest that data is deemed free from correlation between independent variables if the tolerance value is > 0.1 and VIF < 10. The results of this test are values that are within the range, so it can be concluded that multicollinearity did not occur in this study. The test results are shown in Table 4.

Results of Hypotheses Testing

This study examines the influence of the halal supply chain, which is measured through consumer knowledge of halal procurement practices, halal production, halal handling and storage, halal logistics and packaging, and halal retailing, on the intention in purchasing personal care and beauty products.

Table 2. Results of Validity dan Reliability Tests

Variables	Item	Loading	Cronbach's Alpha	McDonald's w
Buying Intention	INT 1	0.741	0.889	0.893
	INT 2	0.827		
	INT 3	0.906		
	INT 4	0.789		
Halal Resourcing	RES 1	0.723	0.843	0.851
	RES 2	0.885		
	RES 3	0.823		
	RES 4	deleted		
Halal Production	PRO 1	deleted	0.799	0.821
	PRO 2	deleted		
	PRO 3	0.736		
	PRO 4	0.884		
	PRO 5	0.729		
Halal Handling & Storage	HAN 1	0.800	0.826	0.828
	HAN 2	0.819		
	HAN 3	0.708		
	HAN 4	deleted		
Halal Logistics and Packaging	LOG 1	0.720	0.872	0.879
	LOG 2	deleted		
	LOG 3	0.797		
	LOG 4	0.841		
	LOG 5	0.796		
Halal Retailing	RET 1	deleted	N/A	N/A
	RET 2	deleted		
	RET 3	0.778		
	RET 4	0.738		

N/A = Not available (for two items)

Table 3. Homoscedasticity Assumption Test

	F	df1	df2	p
INT	0.2187	1	102	0.6410
RES	0.1941	1	102	0.6605
PRO	0.2778	1	102	0.5993
HAN	0.7209	1	102	0.3978
LOG	0.0471	1	102	0.8286
RET	0.0181	1	102	0.8932

Noted: RES = Halal Resourcing; PRO = Halal Producing; HAN = Halal Handling & Halal Storage; LOG = Halal Logistics & Halal Packaging; RET = Halal Retailing

Table 4 shows that, of the five halal supply chain variables, the variable that has a significant positive effect on purchase intention is halal resourcing or procurement of halal materials/raw materials (RES, p-value <0.05). These results support Hypothesis 1 (H1). Meanwhile, other halal supply chain dimensions were not significant, providing no support for H2-H5. Figure 2 summarizes the results.

Purchase Intention (Y) = 0.5004 + 0.3652RES (Note: unstandardized beta coefficient)

In multiple regression analysis, the beta coefficient is used to measure the extent to which the independent variable influences the dependent variable. Figure 2 shows that the independent variable RES (halal resourcing) has an influence of 0.305 in increasing consumer buying intention. This RES variable is the

only variable supported in this research. These results align with previous research, where halal resourcing or halal raw materials significantly influence consumer purchasing interest in halal products (Husain et al. 2016; Nurhayati and Hendar, 2020).

Other halal supply chain variables that were previously conjectured to influence purchasing intention were not proven to be significant in this research, namely production (PRO), handling and storage (HAN), logistics and packaging (LOG), and halal retail (RET). These results differ from previous research conducted in Malaysia, showing that consumer knowledge of halal production or materials or raw materials significantly influences intention in purchasing halal

personal care and beauty products (SR et al. 2013). Previous research on halal handling, which was also conducted in Malaysia, showed that halal handling had a significant influence on interest in purchasing halal products (Yusoff et al. 2015). The results of this research regarding halal logistics and packaging also provide different results. Previous research in Malaysia stated that the halal logistics variable significantly influenced purchase intention (Yaakub and Sham, 2021). Likewise, with the results of research on halal retailing, previous research conducted in Thailand and Malaysia, these studies stated that halal retailing had a significant influence on people’s buying interest in halal products (Syukur and Nimsai, 2018; Yusoff et al. 2015).

Table 4. Results of Hypotheses Testing

Variables	Unstandardized	Standard Error	Standardized	t	p	Collinearity Statistics	
						Tolerance	VIF
RES	0.3652	0.1574	0.3054	2.3605*	0.0202	0.3472	2.8799
PRO	0.0055	0.1850	0.0044	0.0300	0.9761	0.2643	3.7839
HAN	0.1796	0.1682	0.1433	1.0681	0.2881	0.3231	3.0948
LOG	0.0361	0.1665	0.0345	0.2169	0.8287	0.2300	4.3480
RET	0.2950	0.1660	0.2590	1.7772	0.0786	0.2737	3.6540

*Sig at p<0.05; RES = Halal Resourcing; PRO = Halal Producing; HAN = Halal Handling & Halal Storage; LOG = Halal Logistics & Halal Packaging; RET = Halal Retailing

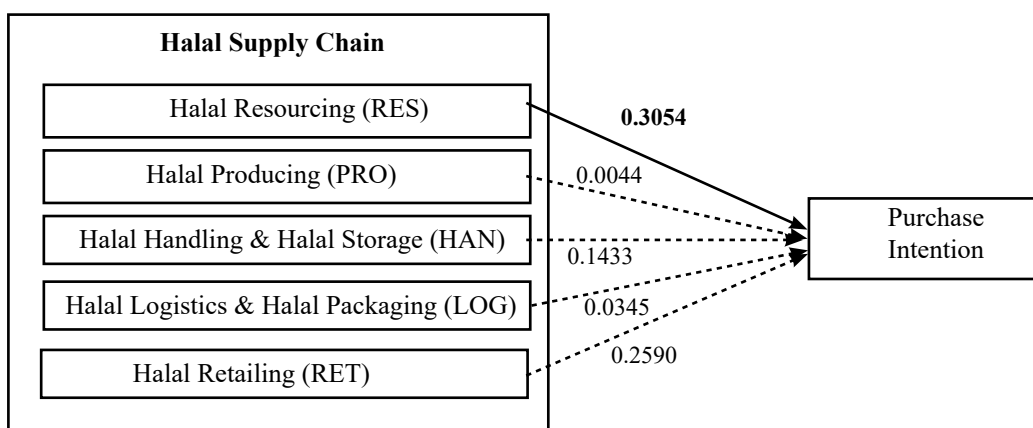


Figure 2. The influence of consumer knowledge of halal supply chain practices on purchase intention in halal personal care and beauty products

The insignificance of halal supply chain variables on customer purchase intentions can be attributed to factors like consumer awareness and knowledge, trust and perceived authenticity, and perceived value and priorities. Many consumers may not be fully aware or knowledgeable about the specifics of halal supply chain processes, leading to a lack of influence on their purchasing decisions (Khan et al. 2022). Additionally, consumers might implicitly trust certain brands or certification bodies, relying on certification logos rather than scrutinizing individual supply chain variables (Ali et al. 2018). Prioritization of factors like price and convenience over detailed supply chain processes also plays a significant role, with some Indonesian consumers viewing cost and ease of purchase as more critical than the intricacies of halal compliance (Ab Rashid and Bojei, 2019). Moreover, research methodology, including survey design and sample characteristics, might not accurately capture the importance of these variables, resulting in skewed perceptions of their influence on purchase intentions.

The four variables that are not significant do not indicate that these aspects are not necessary in managing the halal supply chain, considering that the halal certification test requires the fulfillment of halal product requirements, for example, processes, equipment, and handling that are free from uncleanness and not mixed with non-halal ingredients and ingredients (Tieman, 2013; Masood et al. 2023). Halal supply chain management must be fulfilled to ensure conformity with Islamic law. In this research, even though consumers considered these four aspects important (scores above 4 out of 5 Likert points), this understanding did not increase their purchasing intention. The results suggest that some Indonesian consumers still view halal products are those that contain halal raw materials and ingredients, so this understanding needs to be improved through education by companies providing personal care and beauty products and by the Indonesian government. These results can still be validated with broader and more diverse sample data.

Managerial Implications

Halal supply chain management practices are currently receiving critical attention from companies in Indonesia. Moreover, with the enactment of Law No. 3 of 2014 concerning the obligation to obtain halal certificates for products circulating in Indonesia, all

industries must respond by ensuring that the entire supply chain complies with Islamic principles to obtain halal certification. In addition, these research results show that consumers consider halal supply chain management practices necessary for their purchasing intention, especially knowledge about procurement practices for raw materials and supporting materials that meet halal rules.

Based on the results of this research, supply chain managers in manufacturing companies need to ensure that the personal care and beauty products have halal certificates. This certificate guarantees that the product meets safety standards and is halal according to Islamic law. Furthermore, company managers must ensure that information about halal raw materials is communicated to consumers because it will attract their buying interest. This means that even though the halal label on the product is a guarantee of product safety and halalness, clear information regarding the type of raw material used, primarily if the raw material is obtained from nature and organic, as well as halal certification information on the raw material will further increase the propensity to purchase the products.

Furthermore, although the other dimensions of the Halal Supply Chain examined in this study do not have a significant effect on consumer purchasing interest, managers still need to ensure that the entire supply chain process meets halal rules and continue to look for ways to improve the performance of halal supply chain practices, either through process optimization, cost-effectiveness initiatives, and sustainability efforts.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

Increasing public awareness of halal products encourages the growing personal care and beauty industry to enter the market. This requires producers to carry out production, storage, and delivery in a halal manner or under Islamic law. As a country with the largest Moslem population in the world, halal products will be in demand in Indonesia and will become a concern for producers and traders. Manufacturers and traders of halal products must start implementing halal supply chains to ensure that their products meet the halal standards of Moslem communities in Indonesia.

Developing a halal supply chain will be one strategy for responding to market demands. This research highlights the importance of consumer knowledge of halal supply chain practices in influencing purchasing interest in halal personal care and beauty products. It shows that consumer knowledge about halal raw materials significantly affects their intention to purchase halal personal care and beauty products. Consumer understanding regarding halal products and halal supply chain practices is key to understanding increasingly religious purchasing behavior in Indonesia.

Recommendations

This study is limited by its sample size and the convenient way of data collection procedure, which could alter the data distribution and could bias the results. To better understand the halal supply chain, future research should use a larger number of respondents to verify whether knowledge regarding halal resourcing, halal production, halal handling and storage, halal logistics and packaging, and halal retailing will strongly influence intention to buy halal personal care and beauty products.

FUNDING STATEMENT: This research did not receive any specific grant from public, commercial, or not-for-profit funding agencies.

CONFLICTS OF INTEREST: The author declares no conflict of interest.

REFERENCES

Ab Rashid N, Bojei J. 2020. The relationship between halal traceability system adoption and environmental factors on halal food supply chain integrity in Malaysia. *Journal of Islamic Marketing* 11(1): 117-142. <https://doi.org/10.1108/JIMA-01-2018-0016>

Adriani L. 2020. Pengaruh Islamic Religiosity dan Halal Knowledge terhadap purchase intention kosmetik halal dimediasi oleh attitude terhadap produk halal di Indonesia. *AL-MUZARA'AH* 8(1): 57-72. <https://doi.org/10.29244/jam.8.1.57-72>

Ali A, Ali A, Xiaoling G, Sherwani M, Hussain S. 2018. Expanding the theory of planned behaviour to predict Chinese Muslims halal meat purchase intention. *British Food Journal* 120(1):

2-17. <https://doi.org/10.1108/BFJ-05-2017-0278>

Alzeer J, Rieder U, Abou Hadeed K. 2018. Rational and practical aspects of Halal and Tayyib in the context of food safety. *Trends in Food Science & Technology* 71: 264-267. <https://doi.org/10.1016/j.tifs.2017.10.020>

Billah A, Rahman MA, Hossain MTB. 2020. Factors influencing Muslim and non-Muslim consumers' consumption behavior: A case study on halal food. *Journal of Foodservice Business Research* 23(4): 324-349. <https://doi.org/10.1080/015378020.2020.1768040>

BPS. 2023. Jumlah Penduduk Pertengahan Tahun (Ribuan Jiwa), 2021-2023. Diakses pada 12 September 2023 dari <https://www.bps.go.id/indicator/12/1975/1/jumlah-penduduk-pertengahan-tahun.html>.

Gateway S. 2020. State of the Global Islamic Economy 2020/21 report Executive Summary in Bahasa Indonesia. United Nations.

Hair JF Jr, Black WC, Babin BJ, Anderson RE. 2019. *Multivariate Data Analysis* (8th ed.) Cengage Learning, Australia.

Irfan SN, Sari IP, Moulana R. 2024. Pengaruh *brand awareness* dan persepsi label halal terhadap keputusan pembelian produk *personal care* bagi pria. *Jurnal Aplikasi Bisnis dan Manajemen* 10(1): 288-288. <https://doi.org/10.17358/jabm.10.1.288>

Jailani N, Adinugraha HH. 2022. The effect of halal lifestyle on economic growth in Indonesia. *Journal of Economics Research and Social Sciences* 6(1): 44-53. <https://doi.org/10.18196/jerss.v6i1.13617>

Khan MI, Haleem A. 2016. Understanding "halal" and "halal certification & accreditation system"-a brief review. *Saudi Journal of Business and Management Studies* 1(1): 32-42.

Khan MI, Haleem A, Khan S. 2018. Defining halal supply chain management. *Supply Chain Forum: An International Journal* 19(2): 122-131. <https://doi.org/10.1080/16258312.2018.1476776>

Khan S, Khan MI, Haleem A, Jami AR. 2022. Prioritising the risks in Halal food supply chain: an MCDM approach. *Journal of Islamic Marketing* 13(1): 45-65. <https://doi.org/10.1108/JIMA-10-2018-0206>. <https://doi.org/10.1108/JIMA-10-2018-0206>

Kotler P, Armstrong G. 2013. Principles in Marketing Chapter 1. Principles of Marketing.

Kusumastuti DK. 2020. Minat beli produk halal di

- Indonesia: studi pemetaan sistematis. *Mabsya: Jurnal Manajemen Bisnis Syariah* 2(2): 27-50. <https://doi.org/10.24090/mabsya.v2i2.3929>
- Masood A, Hati SRH, Rahim AA. 2023. Halal cosmetics industry for sustainable development: a systematic literature review. *International Journal of Business and Society* 24(1): 141-163. <https://doi.org/10.33736/ijbs.5609.2023>
- Morwitz V. 2014. Consumers' purchase intentions and their behavior. *Foundations and Trends® in Marketing* 7(3): 181-230. <https://doi.org/10.1561/17000000036>
- Nurhasah S, Munandar JM, Syamsun M. 2017. Faktor-faktor yang mempengaruhi minat beli produk makanan olahan halal pada konsumen. *Jurnal Manajemen dan Organisasi* 8(3): 250-260. <https://doi.org/10.29244/jmo.v8i3.22473>
- Nurhayati T, Hendar H. 2020. Personal intrinsic religiosity and product knowledge on halal product purchase intention: Role of halal product awareness. *Journal of Islamic Marketing* 11(3): 603-620. <https://doi.org/10.1108/JIMA-11-2018-0220>
- Potluri RM, Potluri LS. 2018. Halal packaging and certification in India: issues and challenges. *International Journal of Islamic Marketing and Branding* 3(1): 35-44. <https://doi.org/10.1504/IJIMB.2018.091655>
- Puspitasari RHU. 2019. Analisis pengaruh keputusan pembelian pada kosmetik berlabel halal. *Business Management Analysis Journal (BMAJ)* 2(1): 68-77. <https://doi.org/10.24176/bmaj.v2i1.3212>
- SR H, Hashim H, Yusof RN, Alias NN. 2013. Relationship between product factors, advertising, and purchase intention of halal cosmetic. *Pertanika Journal of Social Sciences and Humanities* 21(S): 85-100.
- Statista. 2023. Beauty & Personal Care - Indonesia. <https://www.statista.com/outlook/cmo/beauty-personal-care/indonesia>. [2023 Aug 23].
- Sumarliah E, Li T, Wang B, Moosa A, Sackey I. 2021. The impact of customer halal supply chain knowledge on customer halal fashion purchase intention. *Information Resources Management Journal (IRMJ)* 34(3): 79-100. <https://doi.org/10.4018/IRMJ.2021070105>
- Syukur M, Nimsai S. 2018. Factors influencing the purchase intention of halal packaged food in Thailand. *International Journal of Supply Chain Management* 7(4): 1-6.
- Talib MSA, Hamid ABA, Zulfakar MH, Chin TA. 2015. Barriers to Halal logistics operation: views from Malaysian logistics experts. *International Journal of Logistics Systems and Management* 22(2): 193-209. <https://doi.org/10.1504/IJLSM.2015.071545>
- Tieman M. 2013. Establishing the principles in halal logistics. *Journal of Emerging Economies and Islamic Research* 1(1): 19-31. <https://doi.org/10.24191/jeeir.v1i1.9115>
- Tieman M, Ruiz-Bejarano B. 2020. Halal retailing: closing the last mile in an end-to-end halal supply chain. *ICR Journal* 11(1): 147-152. <https://doi.org/10.52282/icr.v11i1.28>
- Yaakub S, Sham NAA. 2021. Impact of Knowledge, Religiosity, Awareness and Halal Logistics on Purchase Intention. *International Journal of Management Studies and Social Science Research* 3(4): 161-167.
- Yusoff FAM, Yusof RNR, Hussin SR. 2015. Halal food supply chain knowledge and purchase intention. *International Journal of Economics & Management* 9.
- Zailani S, Iranmanesh M, Jafarzadeh S, Foroughi B. 2020. The influence of halal orientation strategy on financial performance of halal food firms: Halal culture as a moderator. *Journal of Islamic Marketing* 11(1): 31-49. <https://doi.org/10.1108/JIMA-01-2018-0023>
- Zulfakar MH, Anuar MM, Ab Talib MS. 2014. Conceptual framework on halal food supply chain integrity enhancement. *Procedia-Social and Behavioral Sciences* 121: 58-67. <https://doi.org/10.1016/j.sbspro.2014.01.1108>