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## The Influence of The Halal Logo on Cosmetic Products on Brand Loyalty is Mediated By Brand Satisfaction, and Brand Trust

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**Abstract.** Religion is the thing that most influences a person's or community's social decisions, this is based on their adherence to the religion they profess. In various parts of the world, every Muslim will use halal concepts in their daily lives. The decision to buy and use a product is one of the social decisions that are made and influenced by the religious aspects of consumers. This study wanted to examine the effect of halal logos on brand loyalty mediated by, satisfaction, and trust. This study is a survey research that can be classified into associative / relationship research. The sampling technique uses Non-Probability Sampling with a Purposive sampling technique.

**Keywords:** 1 Halal logos · 2 Brand loyalty · 3 Satisfaction · 4 Trust

### 1. INTRODUCTION

Halal means things that are permitted or valid according to Sharia law. Every food that can be eaten or drunk is considered halal until or unless it is prohibited in Islamic holy books, namely the Qur'an and the utterances of the Holy Prophet namely Hadith (Awan and Haider (2015)). The concept of halal is made standard by Muslims in its use. Not only food and beverages, but cosmetics that have a halal logo will be one of the considerations in buying and using products.

Although not all cosmetic products are not required to have a halal logo, not all Indonesian citizens are Muslim. However, the Ministry of Religion's Halal Product Guarantee Agency (BPJPH) emphasizes that all products must have halal certificates and even the production of Micro, Small and Medium Enterprises (MSMEs) starting October 17, 2019. This is emphasized because it has been regulated by the state in law Law No. 34 of 2014 concerning Guaranteed Halal Products (JPH).

Cosmetics have become a mandatory requirement for every woman. Not only women who have jobs that require using makeup like entertainers, but almost all women use makeup. Cosmetic products will definitely use various strategies to market products according to the intended segmentation. Segmentation of Muslim women, many cosmetic products that use Muslim female models, and use halal logos on their products.

Muslim women who buy and use cosmetic products that have a halal logo will they have brand loyalty ?. This will be examined in this study. Loyalty is a concept that goes beyond repetition; it consists of behavioral dimensions and attitude dimensions where commitment is important (Cleopatra Veloutsou 2015). When someone already has a brand, they will make a repeat purchase, and even positive word of mouth and even recommend the brand to others. This will benefit the company.

Satisfaction and Trust will be the mediating variable between halal logos and brand loyalty. Satisfaction (Satisfaction) is a feeling of pleasure or disappointment someone who appears after comparing the performance (results) of products that are thought of the expected performance (or results) If the performance is below expectations, the customer is not satisfied. If the performance meets expectations, the customer is satisfied. If the performance exceeds expectations, the customer is very satisfied or happy (Kotler 2006: 177). Whereas Trust is Satisfaction defined as "the overall evaluation of the customer on bid performance to date" or as "a global evaluative assessment of product use / consumption (Teresa Fernandes, Mariana Moreira 2019).

The research carried out will be carried out by researchers based on the phenomenon of cosmetic brands that have a halal logo whether it will influence in building the brand loyalty of consumers, especially Muslim women. Making satisfaction and trust as a mediation between halal logos and brand loyalty.

## **2. MATERIAL**

### **2.1 Halal Logo**

Halal is an Arabic term meaning, "permitted, permitted legally or legally". Just as Kosher is used in Judaism, Halal, when used in connection with food or drink means "permitted to consume or drink for Muslims" (Eliasi and Dwyer 2002: 912). The word halal comes from Arabic, and refers to Islamic beliefs, applied by Muslims and is defined as things or actions that are permitted by Islamic law without penalties imposed on the perpetrators, because that means permitted or permitted by the Sharia law (Ahmad 2015). Halal comes from Islam; refers to everything permitted according to the Islamic religion and code of ethics. On the contrary, "Haram" is anything that is not permitted in the Islamic code of ethics (Garg and Joshi 2018). Halal means things that are permitted or valid according to Sharia law. Every food that can be eaten or drunk is considered halal until or unless it is prohibited in Islamic holy books, namely the Qur'an and the sayings of the Holy Prophet (P.B.U.H), namely Hadith (Awan and Haider 2015).

### **2.2 Satisfaction**

Satisfaction is defined as "the customer's overall evaluation of supply performance to date" (Gustafsson et al., 2005, p. 210) or as "a global evaluative assessment of product use / consumption" (Westbrook, 1987, p 260) and relates to valuation specific cognitive transactions, related to the expectation / disconfirmation paradigm (Carrol and Ahuvia, 2006). satisfaction is a fulfillment response / assessment, which is centered on goods or services, evaluated for one-time consumption or sustainable consumption (Oliver, 1999) or customer satisfaction with respect to previous purchase experience with a given provider (Anderson and Srinivasan, 2003; Christodoulides and Michaelidou, 2011). Satisfaction is defined as an affective response to a buying situation (Babin and Griffin, 1998; Bagozzi et al., 1999; Bennet et al., 2005; Anderson and Narus, 1990). Satisfaction is a positive affective reaction to

results from previous experiences (Ganesan 1994). Satisfaction originates and attitudes are formed as part of previous experience (Ganesan, 1994).

### 2.3 Trust

Trust in a brand is the customer's trust and expectations of the brand's reliability, performance, and future intentions (Tax et al., 1998). However, customers also limit how much trust they can tolerate for certain organizations (Dickinger, 2011). It was argued that trust as an important element of relationship marketing also has two important elements - credibility and virtue of partners (Wang, 2007). While the first is about the belief that partners in exchange relations will perform tasks that are involved effectively and reliably, the virtue revolves around the belief that actions taken by partners in exchange relations will be in the best interests of others (Ganesan, 1994; Anderson and Witz , 1989; Dwyer et al., 1987; Wang, 2007). Trust can be defined as the degree to which consumers believe that a particular brand has confidence in fulfilling its desires (Zhou et al., 2011). Trust can be defined as a consumer's confidence that he can rely on the seller to deliver the promised service, while relational value can be defined as consumer perceptions of the benefits enjoyed versus the costs incurred to maintain an ongoing exchange relationship (Azize ahina, Cemal Zehirb, Hakan Kitapçib 2011).

### 2.4 Brand Loyalty

Brand loyalty is a commitment that is held firmly to repurchase or lower the preferred product or service consistently in the future, even though there are situational influences and marketing efforts that have the potential to cause switching behavior (Cleopatra Veloutsou 2015). Sharyn Rundle-Thiele Marisa Maio Mackay, (2001) Brand loyalty is a word of mouth positive word, which is caused by loyalty, seen only as a mechanism that allows companies to save on marketing costs. the concept of loyalty has not been uniquely defined. in the marketing literature the term loyalty has often been used exchanged with its operational definition to refer to:

1. Repeat purchase
2. Preferences
3. Commitment
4. Retention
5. Loyalty

Brand Loyalty is a firm commitment to repurchasing or degrading preferred products / services consistently in the future, leading to the purchase of the same brand or purchase of the same brand, regardless of situational influences and marketing efforts that potentially lead to switching behavior ( Hong-Youl Ha, Swinder Janda, Sang-Kyu Park 2009). Loyalty is a

concept that goes beyond repetition; it consists of behavioral dimensions and attitude dimensions where commitment is an important feature (Beerli et al., 2004).

### **3. HYPOTHESES**

#### **3.1 Effect of the Halal Logo on Satisfaction**

The results of the Pearson correlation show that consumer satisfaction has a very positive relationship with brand loyalty. Furthermore, the results of the Sobel test show that consumer satisfaction with food products with the Malaysian halal logo has significantly influenced the relationship between the four independent variables (consumer expectations, institutional trust, religiosity, brand trust) and the dependent variable of brand loyalty. Based on statistical analysis (Yusniza Kamarulzaman et al., 2017). This finding is supported by previous research which stated that consumer satisfaction is significant towards indicators of brand loyalty (Heskett, 1994; Fornell, 1996; Pugg, 2002). From the review of the research hypotheses can be drawn as follows:

H1: There is a positive impact on the halal logo on satisfaction

#### **3.2 Effect of the Halal Logo on Trusts**

Nor Asiah Omar et al., 2017 examined the relationship of violations about things to recovery of trust and avoidance behavior. when the customer assumes that the violation is not too severe, then the reparative effect of restoring trust in avoidance behavior is stronger than in the case of higher severity. From the review of the research hypotheses can be drawn as follows:

H2: There is a positive impact on the halal logo on trust

#### **3.3 Effect of Satisfaction on Brand Loyalty**

Empirically, there are findings of a study conducted by Teresa Fernandes, Mariana Moreira 2019, that satisfaction has an indirect positive impact as a mediation between Consumer brand engagement and brand loyalty. In addition, the research conducted by Cleopatra Veloutsou 2015, shows satisfaction has a positive impact on brand loyalty. From the review of the research hypotheses can be drawn as follows:

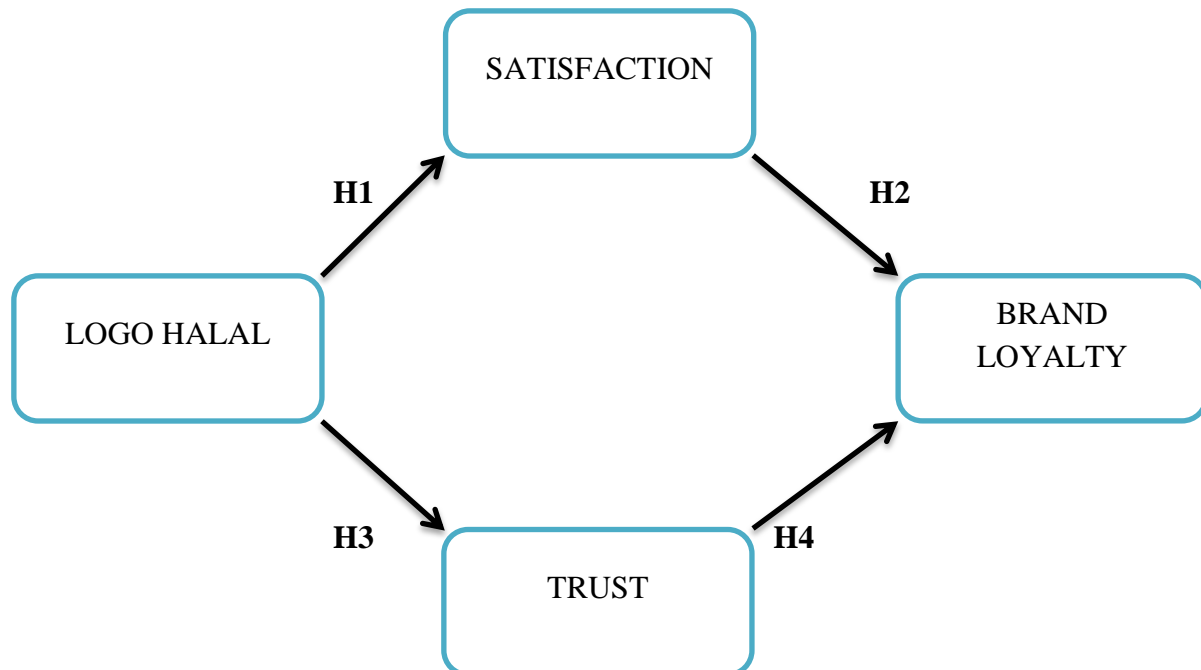
H3: There is a significant positive effect of satisfaction on brand loyalty

#### **3.4 The influence of Trust on Loyalty**

Research conducted by Richard Chinomona 2016 found that brand trust has a significant positive impact on brand loyalty. Cleopatra Veloutsou 2015 also stated that trust has a

positive impact on brand loyalty. From the review of the research hypotheses can be drawn as follows:

H4: There is a significant positive effect of trust on brand loyalty



#### 4 METHOD

This research is a survey research conducted in Purwokerto and can be classified into associative / relationship research. Samples were taken from cosmetic users who have a halal logo with the minimum criteria of using cosmetics bearing the halal logo for 1 (one) year. The number of samples is rounded to 200, which is focused on female students of one of the Islamic campuses in Purwokerto. The sampling technique uses Non-Probability Sampling with a Purposive sampling technique. The sampling design in this study is the Oppo smartphone brand.

The preparation of instruments in this study came from previous studies that adopted international journals. The measurement scale in the study used a 5-point Likert scale (1 = strongly disagree, 5 = strongly agree). To test the hypothesis of the relationship between variables using the Pearson Correlation analysis tool, while to test the influence between variables using multiple regression analysis tools.

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