# Understanding How Halal Food Understanding and Awareness Promote Repurchase: Evidence from Southern Thailand

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**Abstract**

This research seeks to examine the factors influencing the repurchase behavior of halal-labeled food, focusing specifically on the roles of literacy, awareness, and consumption intentions regarding halal products. A quantitative approach was employed, utilizing in-depth questionnaires distributed to informants selected through purposive sampling, a sample of 100 respondents from the Thai community. The findings reveal that literacy and awareness significantly impact repurchase decisions, while awareness also influences purchase intentions for halal food. However, purchase intentions do not directly affect repurchase decisions for halal-labeled products.

**Keyword:** Literacy and Awareness, Towards Halal-Labeled Food Purchase Repetition with Intention to Consume Halal Food

**Introduction**

The global halal industry will experience growth; this is due to the increase in the total Muslim population worldwide. According to global Muslim population data, the number of Muslims reached 2.02 billion, or 25% of the total world population as of February 2024. According to the State of the Global Islamic Economy Report 2023, Muslim consumers will spend $2.29 trillion in 2022 across sectors such as food, health products, cosmetics, fashion, travel, and media/recreation, marking a 9.5% increase compared to the previous year's spending due to the increasing purchasing power of the Muslim population towards the expansion of the halal industry.

The large population of young Muslims is a driver of growth in the halal industry from the demand side, this is correlated with increasing digital connectivity and e-commerce in Muslim-majority countries, the intersection of Islamic values with sustainability, and ethical consumerism. Ethical consumerism is associated with halal products that prioritize food

safety, cleanliness, and health. Then there is an awareness of the importance of Islamic values that are applied daily as a lifestyle or halal lifestyle.(Gateway 2024)

In the era of growing globalisation, Halal lifestyle is a desirable halal lifestyle, where the halal label becomes a benchmark for consumers in using or consuming halal products. The label is not only a religious symbol, but also reflects quality assurance, safety, and compliance with ethical production standards. Halal labelled food has become a major concern, especially among Muslim consumers who want to ensure that the products they consume are in accordance with the principles of sharia.

Tabel 1
*Global Muslim spending on halal lifestyle*

| NO | HALAL SECTOR | EXPENDITURE |
|---|---|---|
| 1. | Halal Food | US1,4 trillion |
| 2. | Islamic Finance | US3.96 trillion |
| 3. | Halal Travel | US133 billion |
| 4. | Halal Fashion | US 318 billion |
| 5. | Halal Farmasi | US 108 billion |
| 6. | Halal Cosmetics | US84 billion |
| 7. | Halal Media & Recreation | US247 billion |

Source : State of the global islamic economy 2023

Based on this data, the most frequently consumed halal sector is the food sector or halal food. Muslim consumer spending on food increased by 9.6% in 2022 to reach US$1.4 trillion, up from US$1.28 trillion in 2021.

In the halal food sector, there are 5 countries at the top that dominate based on the GIE Indicator Ranking 2023 which includes financial, governance, awareness, social, innovation, namely Malaisya, Indonesia, Turkey, Singapore, Thailand.

| No | Country |
|---|---|
| 1 | malaysia |
| 2 | indonesia |
| 3 | turkey |
| 4 | singapura |
| 5 | thailand |

*Source : State of the global islamic economy 2023*

The achievements of the 5 countries above in the halal industry, especially in the field of halal food, are interesting to highlight, especially Thailand as a non-Muslim country. The Thai government has its own strategy in improving the halal industry. The number of Muslim tourists visiting the country of Thailand, it encourages the government to facilitate halal lifestyle. One of them is the provision of halal labelled food, mosques, even sharia hotels.

In supporting the implementation of the Halal Food programme, the Thai government collaborates with various institutions that have authority over the existence of halal products in the country. Such as cooperation between the government and institutions related to handling halal food. CICOT or Central Islamic Concil of Thailand is a non-governmental

institution that has the authority to certify halal products in Thailand. The role of the government itself is to support and prepare financially for the sustainability of the development of a halal food activity centre strategy in southern Thailand (Nurhasanah and Hariyani 2018).

The halal lifestyle trend that is developing globally is a factor for a country to be able to provide an environment that supports halal lifestyle, especially for the halal tourism industry. Based on data from the global immigration service 2024, Thailand is the No - 9 country in the category of the most visited countries.

Based on GMTI 2024 report. With a score of 52, Thailand is ranked 5th among non-Muslim countries (Non-OIC) and 32nd out of 145 top tourist attractions for Muslims. This ranking remains unchanged from 2023. Thailand is renowned for its natural beauty and its pioneering role in the halal food and product industry. As Thailand has a significant Muslim community, it has a cultural understanding, multicultural environment, is friendly to Muslim travellers, and provides halal cuisine widely, making Thailand a top choice for Muslim travellers.

Given Thailand's potential in developing the halal industry, product halal labelling is very important to be considered by the government. Products that have a halal label have a better brand image than products that are not halal certified. The existence of a halal label proves that the product is halal and safe for consumption. In addition to the halal label, the halal lifestyle implemented by Thailand is an attraction for Muslim tourists to visit Thailand.

According to the research conducted by (Hasyim and Purnasari, 2021) on the Antecedents of Halal Food Purchasing Decisions, it was found that the impact of attitude on intention (.492 > .05) and the influence of perceived behavioral control on the motive to purchase halal products (.103 > .05) are statistically significant. demeanor directly influence purchasing decisions without the mediation of intentions. This indicates that attitudes shaped by personal experiences with the product can drive purchasing decisions independently of intentions. On the other hand, subjective norms exert both a direct and indirect influence on purchasing decisions, with intentions serving as a mediating factor.

Research by (Destiana and Tairas 2021) a relationship between normative beliefs and Personal efficacy with the purchases sharia compliant product, while individual faith orientatio has no bearing onthe motive to purchase halal products. Whereas research (Rupianti Reni, 2023) Demeanor, normative beliefs, and Perceived Behavioral Control collectively contributed 59.5% to explaining the variability, of Purchase Intention, while the remaining 40.5%. In line with research (Nurhasanah and Hariyani 2018) halal awareness, health considerations, and perceived value have a positive significant impact on purchase intention. On the other hand, halal marketing positively significantly affects brand image.

This study assumes that halal literacy and awareness of halal food have a significant influence on repeat purchases with purchase intention as an intervening variable. when consumers have the intention to buy and feel satisfied with the product purchased. Then it can be predicted that someone will repurchase the product. The theory of planned behavior, intention is considered as a direct predictor of behavior. Thus, the main hypothesis tested is

that the greater the degree of consumer literacy and awareness, the more likely consumers will make repeat purchases of halal-labeled food.

**Literature Review**
*Halal Literation*
Halal literacy is an ability that a person has in distinguishing between halal and haram products or services according to the view of Islamic law. In measuring halal literacy, there are two approaches, namely self-evaluation and test-based methods. When making a purchase, consumers must first go through the process of information, persuasion, decision making, and confirmation, so halal literacy is very important. (Ira, Novitasari, and Fikriyah, 2023)

According research by (Setyowati and Anwar, 2022), Halal literacy has a significant Repercussion on attention in buying of Sharia compliant product. Halal literacy means that anybody has insight and knowledge about the halal and haram of a product according to sharia principles.

***Purchase Intention***
According to Ajzen (1985), Purchase intention will influence a person's readiness and desire to purchase a particular product or service and can influence future consumer purchasing decisions. According to (Schiffman and Kanuk, 2014; Abbas et al, 2023) purchasing decisions are activities to choose between two or more options. There are five indicators in the decision-making stage, including:
1) Problem recognition. The process starts when the customer is about to buy a product and realises a need or problem.
2) Information search. The method the customer will use to research a product before buying it.
3) Evaluation of alternatives. Consumers assess brands using the information gathered.
4) Purchase decision. The method by which consumers choose their top brand. However, there are other factors at play in the consumer's environment, such as those that apply to other people and unexpected events.
5) Post-purchase behaviour. The final process that consumers take after making a purchase. Consumers will be happy if the goods they receive meet their expectations, otherwise consumers will be unhappy when the product received is different from what was expected.

*Halal Awareness*
As described by (Vizano, Khamaludin, and Fahlevi 2021), halal awareness involves understanding whether something is halal, being familiar with the correct slaughtering procedures, and prioritizing halal food for consumption. From this explanation, it can be concluded that halal awareness encompasses Muslims' knowledge of the halal concept, their understanding of halal processes, and their view of consuming halal food as part of a lifestyle.

*Repetation*
In this study, the repetation referred to is repetition in purchases by consumers. Repeat purchase is consumer behaviour where they repurchase the same product or service after the previous purchase. The factors that influence repeat purchases are:

Customer satisfaction
Customer satisfaction from previous experiences greatly influences repurchase decisions. Expectancy-Disconfirmation Model by (Oliver. 1980) suggests that satisfaction comes from the match between expectations and experience.

Product quality
Consistent product quality encourages customers to stick with the same product over trying other alternatives.

Price and value
Competitive prices and perceived high value (value for money) are important reasons for customers to return to buy products.

Brand Loyalty
Brand loyalty is a form of consumer psychological commitment that makes them continue to buy certain products even though there are other options available. This theory is reinforced by (Aaker 1991) in the brand loyalty model.

Customer Experience
A positive experience when purchasing or using a product increases the chance of repeat purchases.

**Theory Framework**
Theory is an organised and systematic set of interrelationships of various statements or concepts that specifically explain the relationship between two or more variables, which aims to understand the problem or background of the problem. (Fain, 2004 dalam (Henny, Amila, and Juneris 2019).

Meanwhile, the theoretical framework is an outline or summary of various concepts, theories, and literature used by researchers. The determination of the theoretical framework must be in accordance with the research topic/problem and the objectives of the research. There is no specific difference in compiling a theoretical framework in qualitative or quantitative research. Both use the same guidelines and rules.
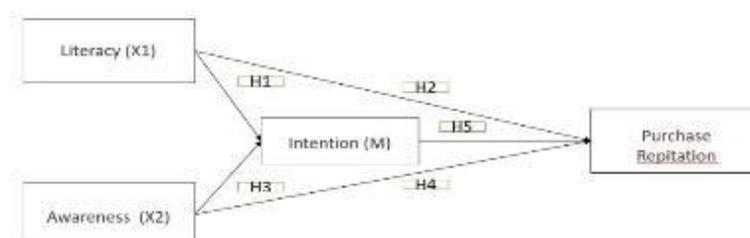In this research, the theoretical framework is built as follows:



*Figure 1. Theoritical Framwork*

it produces several hypotheses, namely:
H1: Literacy positively and significantly influences intention.

H2: Literacy positively and significantly impacts repetition.
H3: Awareness has a positive and significant effect on intention.
H4: Awareness positively and significantly influences repetition.
H5: Intention positively and significantly affects repetition.

## Research Methods

The study a quantitative research method questionnaires and analyzed data using SEM-PLS. SEM-PLS was chosen for its ability to predict and interpret latent variables based on theoretical testing. It also allows for the simultaneous evaluation of the impact of multiple variables on a subject, involving at least one dependent and one independent variable.

Primary data was obtained through a survey using a structured questionnaire distributed to respondents in Southern Thailand, which was selected as the research location. The selection of this location is based on the demographic and sociological characteristics of the region, where a significant Muslim population is a potential market share for halal food products. In addition, Southern Thailand is a region with growing economic dynamics and special attention to the halal industry, making it relevant as a research object.

Secondary data collection is carried out through documentation and literature methods by reviewing various scientific journals, industry reports, and official documents related to the halal industry. This study of existing research is used to develop theoretical frameworks and research hypotheses, as well as to understand the Improvement of halal food consumption trends in the region. The sampling process in this study applies purposive sampling technique with the criteria that respondents are Muslim and have experience consuming halal labelled food. In this study, the data analysis method uses the Outer model and Inner model in smart-PLS software.

## Results and Discussion

Analysis in the SEM-PLS model is conducted in two main stages: the measurement model (Outer Model) and the structural model (Inner Model). The measurement model aims to evaluate how well the manifest variables represent the exogenous and endogenous latent variables. Meanwhile, the structural model analysis focuses on identifying the relationships between exogenous and endogenous latent variables. The assessment of SEM-PLS typically involves a two-step process: first, a separate evaluation of the measurement model, followed by an analysis of the structural model

According chin (1998) In analysing convergent validity, composite reliability and combrach' alpha of each construct must be > 0.7. Then the avarage variance extracted (AVE) value > 0.5 (Hair,2011) , can be seen in table 1. Based on the analysis, it is known that the outer loading value for all indicators used in this study is > 0.7. This indicates that the indicator is able to reflect the variable and is declared valid.

Tabel 1
*Nilai Outer Loading*

| | Awareness X2 | Intention M | Literation X1 | Repetation Y |
|------|------|------|------|------|
| M1 | | | .831 | |
| M2 | | | .844 | |
| M3 | | | .846 | |
| M4 | | | .701 | |
| X1.1 | | | | .964 |
| X1.2 | | | | .793 |
| X1.3 | | | | .911 |
| X1.4 | | | | .923 |
| X2.1 | | .767 | | |
| X2.2 | | .824 | | |
| X2.3 | | .904 | | |
| X2.4 | | .883 | | |
| X2.5 | | .827 | | |
| Y1 | .893 | | | |
| Y2 | .866 | | | |
| Y3 | .771 | | | |
| Y4 | .768 | | | |

Source: Processed primary data 2024

Table 2
*Construct Validity and Reliability*

| | Cronbach's Alpha | Composite Reliability | AVE |
|------|------|------|------|
| Awareness | . 897 | .924 | .71 |
| Intention | .823 | .882 | .653 |
| Literasi | .92 | .944 | .81 |
| Repetition | .844 | .896 | .683 |

Source: Processed primary data 2024

Based on the values in Tables 1 and 2 that the main model has met the requirements. Cronbach's Alpha value of all latent variables> 0.7, Composite Reliability value> 0.7, and AVE> 0.5.

Tabel 3
*Discriminant validity*

| | Awareness | Intention | Literation | Repetation |
|------|------|------|------|------|
| Awareness | .842 | | | |
| Intention | .731 | .808 | | |
| Literation | .79 | .604 | .9 | |
| Repetation | .798 | .602 | .71 | .826 |

Source: Processed primary data 2024

The subsequent test involves evaluating discriminant validity. The general guideline for this test is to examine the correlation values. If the correlation of a variable with itself is

higher than its correlation with other variables, the model demonstrates strong discriminant validity. Based on the output results, the intrinsic correlation values exceed the correlations with other variables, indicating that the model does not have any issues with discriminant validity

Tabel 4
*R-square*

|  | R-square | R-square adjusted |
|---|---|---|
| Intention | 0.537 | 0.527 |
| Repetation | 0.654 | 0.643 |
| Source : Source: Processed primary data 2024 | | |

The R square value simultaneously affects X1 and X2 on M by .537 with an adjusted r-square value of .527. Then, it can be explained that all exogenous constructs (X1 and X2 ) simultaneously affect M by .527 or 52.7%. Because Adjusted R Square is more than 33% but less than 67%, the influence of all exogenous constructs X1, X2 and Y on M is moderate.

The R Square value, representing the combined effect of X1 and X2 on Y, is .654, with an adjusted R Square value of .643. This indicates that the exogenous constructs X1 and X2 collectively influence Y by 64.3%. Since the adjusted R Square value exceeds 67%, the impact of all exogenous constructs on Y can be considered significant.

Tabel 5
*Path Coefficient and asjusted R square*

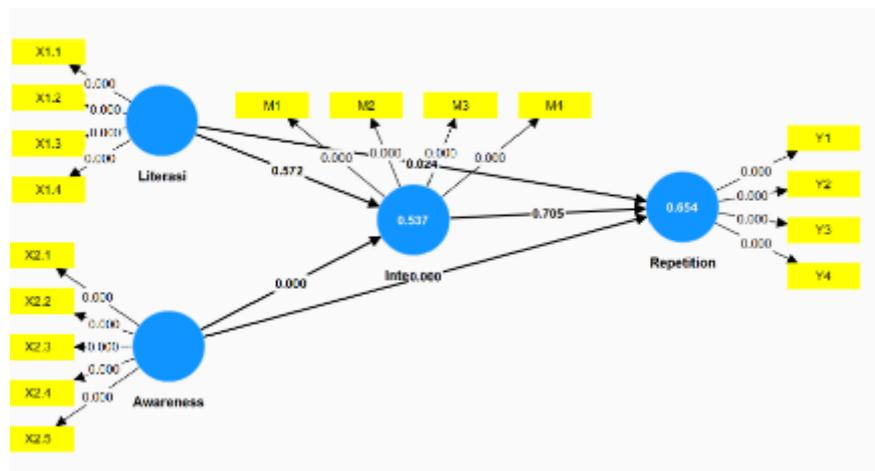| Hipotesis | Original sample (O) | T statistics | P values |
|---|---|---|---|
| Awareness -> Intention | .676 | 5.491 | .000 |
| Awareness -> Repetition | .612 | 5.426 | .000 |
| Intention -> Repetition | .029 | .379 | .705 |
| Literasi -> Intention | .07 | .565 | .572 |
| Literasi -> Repetition | .208 | 2.252 | .024 |

Figure 2. Model SEM-PLS
Source: SEM-PLS (2024)

Hypothesis testing was carried out using the bootstraping method. Rules of thumb used in this research are t-statistics > 1.96 with a significance level of p-value <0.05 (5%) and a positive beta coefficient. Based on table 5, it can be identified that Awareness has a positive and significant effect on Intention with a t-statistic value of 5.491> 1.96 and a p value of 0.000 < 0.05. This means that a person's purchase intention is influenced by halal awareness. Then awareness has a positive and significant effect, the t-statistic value is 5.426> 1.96 and the p value is 0.000 <0.05. This means that repetition of purchases is influenced by halal awareness. Furthermore, Intention has a negative and insignificant effect, the t-statistic value is 0.379 < 1.96 and the p value is 0.705> 0.05. This means that repeat purchases are not influenced by purchase intentions. Then, literation has a negative and insignificant effect, the t-statistic value is 0.565 < 1.96 and the p value is 0.572 > 0.05. This means that purchase intention is not influenced by halal literacy. Finally, literation has a positive and significant effect, the t-statistic value is 2.252> 1.96 and the p value is 0.024 < 0.05. This means that repetition of purchases is influenced by halal literacy.

**Conclusion**

As indicated by the study's results, The findings suggest that the awareness variable has a strong and meaningful effect on the intention variable. Similarly, the awareness variable positively and significantly affects repetition. On the other hand, intention has a negative and insignificant influence on repetition. Additionally, literacy has a negative and insignificant effect on intention, while literacy positively and significantly impacts repetition in Southern Thai society.

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