

## Financial Implementation of Digital Wallet Halal Development on Generation Z's Shopping Interest in Food Products

Ety Saraswati<sup>1\*</sup>, Kartika Rose Rachmadi<sup>2)</sup>

<sup>1,2</sup> Fakultas Ekonomi dan Bisnis, Universitas Islam Malang

\*Email correspondence: [etysaraswati@unisma.ac.id](mailto:etysaraswati@unisma.ac.id)

### Abstract

*The study of halal consumption is very important because the halal market is booming and has practical policy implications for stakeholders (such as marketing managers, government and corporate vision). Therefore, this study explores the determinants of the purchase intention of halal products that have been certified among Muslim minority countries in Russia because of the low attention of researchers in the study. So far a lot of research on this issue has focused on Muslim-majority countries. The purpose of this study is to conduct empirical studies by analyzing empirical models of Halal awareness, Halal certification, Halal marketing, Halal habit, Based on multiple linear regression analysis, information obtained that Halal Knowledge and Religious belief significantly influence consumers' intention to buy products that are halal certified among Russian consumers. Surprisingly Halal awareness, Halal certification / logo, Halal marketing and Halal habit have no effect on their intentions. Finally, consumers believe that consuming halal products is due to their religious encouragement and knowledge of halal products. Marketers need to design a unique strategy to convince consumers that products circulating in the market are halal products that are in accordance with Islamic sharia and meet halal certification standards.*

**Keywords:** Financial Implementation, Halal Development, Shopping Intention

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### 1. INTRODUCTIONS

One religion that has guidelines governing diet is Islam. Islam has rules and customs that are built on the basis of five pillars (pillars), namely every Muslim must say shahadah and testify confidently to the existence of the Prophet Muhammad SAW, establish prayers, pay zakat, perform fasting and perform Hajj. In addition, Muslims must also maintain a lifestyle and diet to improve the quality of their well-being, especially consuming halal foods and avoiding haram ones. (Paudel *et al.*, 2024)

Currently, researchers have paid special attention to halal products, especially anything consumed by Muslim consumers, because in Islam, if what is consumed is contaminated with substances that are not halal (haram), the law is haram and brings harm to consumers. (Fachrurrozie *et al.*, 2023) Researchers' efforts to uncover consumer intentions and behaviors in consuming halal food are currently a topic of great

interest. consuming halal food is currently an interesting topic. This is due to the increasing growth of the world's Muslim population reaching 1.6 billion people (23.4% of the total world population) in 2010 and is estimated to reach 2.1 billion people (26.4% of the total world population) by 2030. (Ilham *et al.*, 2024)

This fact shows that the greater the world's Muslim population, the greater the demand for halal products they consume. Sharia-required halal products include food, beverages, travel, cosmetics, medicines, fashion, banking, recreation and sports facilities. (Bhutto *et al.*, 2022) Because in Islam "halal" covers various aspects of life, the current paradigm of halal has become part of life style. The Muslim market is currently valued at almost US\$2 trillion, which making it one of the most growing consumer market segments. If current trends continue, there will be a

26.4 percent increase and the total Muslim population will reach 8 billion by 2030. (Shahzad *et al.*, 2021)

It is estimated that the global Muslim market for food and beverages in 2014 increased by 4.3% to reach \$1,128 billion (16.7% of global spending) and by 2020 is expected to grow to \$1,585 billion (16.9% of global spending). Overall, in 2014, the world's Muslim consumers have allocated \$1,128 billion (16.7% of total global spending) for food and is projected to reach \$1,585 billion (16.9% of total global spending) in the same sector by 2020. (Rachman and Khokhar, 2023)

The development of information technology through the internet network encourages the existence of more and more market locations in Indonesia, as well as providing opportunities for businesses to promote their businesses through existing technological advances. Marketing strategy using the affiliate method (affiliate marketing) is a marketing strategy used to promote a product using a commission-based wage system. (Yahya and Ariffin, 2022)

The implementation of marketing cooperation with this affiliate method is carried out by using a link that is connected to the product owner's merchant site. Commission obtained by product marketers / affiliate participants are usually obtained from a percentage of of product sales or other methods used by both parties who work together. (Amer, 2024) Another factor that can influence consumer decisions to make online purchases at lokapasar is the ease of making payments using a digital wallet (e-wallet). Financial transactions can be carried out without having to meet face to face in one location. (El Ashfahany *et al.*, 2024)

The existence of free shipping offers at lokapasar can also influence purchasing decisions. Free shipping promotions, making consumers who want to shop at lokapasar do not need to pay additional costs to pay for the delivery of these goods. (Harsanto *et al.*, 2024) Along with the convenience obtained in online purchasing behavior, there are also problems faced by Muslim consumers lately, namely the lack of regulations in Indonesian markets on the protection of halal imported food offered, with the advancement of existing technology, many consumers are easy to find. technology, many consumers are easily attracted to buying various imported foods offered without being able to confirm the halal without being able to confirm in detail the halal status of the product. (Ali *et al.*, 2022)

According to Huda, et al (2018), consumer behavior in consuming halal products will be a barometer of demand (demand side) for these halal products. (Sulastri, Mulyani and Efendi, 2024) The study of the behavior of Indonesian Muslim consumers in consuming halal products will have an impact on economic growth. (Mohammed *et al.*, 2023) The results of research that have been conducted that the factors that influence consumer behavior in consuming halal products, namely the factors of knowledge, attitudes, subjective norms, behavioral control, and religious commitment have a significant influence on halal product consumption behavior.

The results of research conducted by Rini, et al (2018), state that the factors that influence consumer behavior in consuming halal cosmetics with the hypothesis that personal, cultural, social, and psychological factors have a significant effect on the purchase of halal cosmetics, it turns out that only psychological factors affect the purchase of halal-labeled cosmetics. (Badu *et al.*, 2023)

Halal can be defined as a quality standard that complies with Islamic Sharia law and is used in every activity carried out by Muslims. (Hassan *et al.*, 2022) According to Yusuf Qardhawi (1993), everything is originally halal, unless there is a strict and shar'i text to forbid it. Halal rules are not only limited to objects, but also include actions and manners or muamalat (Qardhawi, 1993). "And eat lawful food again good from what Allah has sustained you, and fear Allah that you believe in Him." (QS: Al Maaidah: 88).

According to this verse, we are required to eat halal food that Allah has bestowed upon us, and obey Allah. Based on this, it can be concluded that halal is very important, especially for the food consumed. (Rosada and Widigdo, 2023) Halal products and services are chosen by Muslims as a form of obedience to Islamic Shariah law. Although halal is closely related to Muslims, it does not mean that consumers of halal products only come from Muslims. (Khairawati, Murtadlo and Hadi, 2023)

## **2. METHODS**

This type of research is explanatory research, namely research that explains the causal relationship between research variables by testing hypotheses that have been formulated based on theoretical studies. In this case, the research explains the causal relationship between the six variables formed based on theory, namely the halal awareness variable, halal

certification/logo, halal marketing, halal habit, halal knowledge, religious belief and consumer intention to buy products that have been certified halal. halal certified. While this research approach uses quantitative approach (positivistic) by emphasizing the numerical assessment of the phenomena being studied to test numerical assessment of the phenomena studied in order to test the hypothesis proposed.

### **3. RESULT AND DISCUSSIONS**

#### **3.1. Result**

Awareness that describes human perceptions and cognitive reactions to the conditions of what they eat, drink and use, especially with regard to halal aspects, is an important aspect for Muslim consumers in general important for Muslim consumers in general. Halal product assurance is generally indicated by the presence of a halal logo from an official institution (Muftis Council of Russia). Based on the results of statistical analysis, it can be found that Halal Awareness (awareness of the importance of halal products) positively does not affect consumer intention to buy halal-certified products. The results of the study do not support the findings of previous studies such as, Azam 116 which found that consumer awareness of halal products is positively related to their intention to purchase products in Saudi Arabia, the halal food sector in Pakistan<sup>117</sup>, the purchase intention of non-Muslim consumers in Malaysia and the intention to buy halal products for South African Muslim consumers.

This fact informs that consumers do not fully have a good awareness of the importance of halal products. This still requires information and counseling from The Russian Mufti Council to provide information about the importance of halal products, especially in areas that still need information about halal products such as in the Siberia region. The role of extension authorities in providing an understanding of the importance of halal products, halal raw materials, halal processing, packaging that meets halal standards, halal logos and shipping in accordance with halal standards is very important shipping in accordance with halal standards is needed in this region, especially the role of local authorities in ensuring and meeting halal standards to ensure consumer confidence in the products they buy or consume.

#### **3.2. Discussions**

In the modern marketing concept, the marketing process is the stage where goods or services can be distributed properly from producers to consumers. This marketing process consists of product, pricing, distribution channels, promotion and purchase. The whole process greatly supports the successful sales performance of halal products. So there is a premise that says that marketing aspects can play an important role in predicting the intention to buy halal products.

To support success in marketing halal products, increased orientation towards meeting consumer needs and building trust through the production of intrinsically safe products and effective and effective communication of these products through effective marketing campaigns. Effective marketing campaign. The results showed that Halal marketing does not positively affect consumer intention to purchase halal-certified products. This fact shows that the findings of this study are inconsistent with the findings of previous research. In fact, the success of consumer intention in making purchases is also supported by good marketing performance. So this study does not support the findings of previous research which states that a good marketing system is positively able to increase consumer intention to make a purchase.

Habit (habit) is defined as behavior that becomes automatic and is outside of individual awareness. Because consumer habits are an important aspect of shaping behavior, Conner and Armitage suggest including the habit construct, which measures the level of automaticity of a person's behavior as a determinant of consumer intention to act. Several studies (using TPB) for food-related behaviors have successfully included habit as an independent predictor of intention. The results of this study indicate that although habit is a determinant of consumer intention, it cannot be proven in the context of purchasing halal-certified products among consumers.

That is, the results show that habit is significantly not a determinant of consumer intention to buy halal-certified products. This is consistent with the findings of previous research. For Muslim consumers in Europe, mostly of immigrant origin, the question arises whether they maintain their eating habits or adapt their food choices to their new food environment and culture. Furthermore, habit (i.e., the extent to which one consumes halal meat as an automatic process), conformity with friends' encouragement to

eat halal meat, control over consuming halal meat, and perceived availability do not influence the intention to consume halal meat.

Meanwhile, according to Verbeke & Vackier, Muslim consumers consider that eating halal meat is a process that automatically becomes habitual (i.e., without going through active consideration). However, habit does not seem to affect the intention to consume halal meat. Both consumers with low and low intention to eat halal meat perceive halal meat consumption as an automatic process, which explains the unimportance of habit. However Nevertheless, several studies using the TPB that conducted studies on food objects, have successfully included habit as an independent predictor of intention.

#### 4. CONCLUSIONS

In the model, the results of the analysis show findings that the determinants of consumer intention to purchase halal-certified products are influenced by consumer awareness of halal products (Halal awareness), Halal certification as evidenced by the logo (Halal certification / logo), Halal marketing strategy (Halal marketing), the habit of consuming halal products (Halal habit), consumer knowledge about halal products (Halal Knowledge), religious beliefs held by consumers (Religious belief). This fact shows that in the model the variables that determine consumer intention to buy halal-certified products are influenced by aspects of consumer cognition and affection.

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