

The Effect of Halal Label Perception, Lifestyle and Quality of Service on Purchase Decision at Starbucks Coffee in Indonesia

Diana Triwardhani, Yuliniar, Khoirul Aswar* & Yudhi Nur Supriyadi
Universitas Pembangunan Nasional Veteran Jakarta, Indonesia
*khoirulaswar@upnvj.ac.id

Abstract: This study intends to ascertain and assess how Starbucks coffee customers' perceptions of the halal label, lifestyle, and service quality affect their purchasing decisions. Given that the majority of people in Indonesia are Muslims and that buying a product with a halal label necessitates considering that, as well as the fact that the subject product comes from a non-Muslim nation, this study was conducted. Data were collected from a sample of 252 persons on the island of Java using a questionnaire, and the data were then analyzed using PLS. The results show that the perception of halal labeling, lifestyle and service quality has an impact on purchase decisions. This indicates that the sample used in the study will consume or purchase Starbucks goods if they are halal in compliance with the halal label on the product. Additionally, Starbucks customers tend to be individuals who lead an active lifestyle. Some customers of Starbucks are accustomed to receiving high-quality service along with their purchases; if this trend continues, the sample that will be used in this study won't purchase Starbucks goods.

Keywords: *Perception of Halal Label, Lifestyle, Quality of Service, Purchase Decision.*

1. Introduction

Currently, almost all people in Indonesia, young and old, like to drink coffee and this is in line with the rapid emergence of coffee shops. Numerous studies particularly detail the various aspects, such as lifestyle circumstances and health issues that affect a person's choice and intention to drink coffee (Najib et al., 2020). Chairy (2017) investigates how the intention to consume coffee beverages is impacted by a number of independent variables, including spirituality, environmental care, health care, and lifestyle. The discussion's findings indicate that spirituality and way of life have a favorable and significant impact on the intention to drink coffee. Associated with spirituality, when someone makes a purchase decision for halal products, most of them are related to the behavior and perceptions of individuals or consumers. Amalia, et al. (2020) show that behavior, subjective standards, and perceived behavioral control all have a significant role in purchasing decisions. Other consumer perception characteristics, such as religiosity, are also acknowledged by some academics. Haque et al. (2018) and Gard and Joshi (2018) According to Awan, et al. (2015), Nurhayati and Hendar (2020), as well as Gojali and Asih (2020), consumer worry over the product's halalness influences purchase decisions. Every coffee shop that offers its clients services cannot be divorced from the quality of service, which is equally significant as a factor in the likelihood that customers will make purchases. Over the past few decades, service quality measurement techniques and their dimensions have grown significantly in the marketing literature.

This is because scholars and practitioners have focused on the given service quality Yarimoglu (2014). Shahin (2006) further found that regular staff contact and experience evaluation are essential for enhancing service quality. One of the well-known coffee shops in Indonesia that already has a halal label at the coffee shop is Starbucks coffee shop. This coffee shop was established in Indonesia in 2002, but the shop was declared halal by the LPPOM MUI only in 2014. Starbucks was recorded by the MUI as the first coffee shop to become a halal coffee shop in Indonesia. Starbucks coffee shops are indeed favored by consumers, especially in the younger segment, which dominates over who comes to Starbucks coffee shops. With the halal certification that has been owned by Starbucks, it is possible to influence a Muslim consumer to like or often buy coffee at Starbucks. According to research by Dwik and Samboro (2019), halal labels have an advantage over other labels when influencing consumers' purchase decisions. This is also supported by another study conducted by Andriansyah, et al. (2017), in their research results halal label variables, brand image and quality have a significant effect on beverage purchasing decisions. Similarly, Bashir et al. (2019), other things make consumers like and buy Starbucks coffee because apart from having a halal certificate, someone buying a drink is also based on lifestyle, many people like modern-style products. In the present period, lifestyle is crucial and frequently serves as a platform for showcasing one's personality (Purwaningdyah & Hendayana, 2021). Drinking beverages like coffee has evolved into one of the demands or ways of life in today's culture.

For young individuals to unwind or hang out with pals, coffee shops are a favorite hangout. Parents, businesspeople, and customers of all ages frequently meet with colleagues or discuss business strategies in coffee shops (Djamaludin & Silmie 2021; Bistara & Kartini, 2018; Rivera et al., 2017). In addition, Kalra (2011) explains that drinking coffee and eating have become an integral part of the customer's lifestyle, information about quality, good service, well-cooked food and no dirty interior, service quality influences consumers' intentions. Furthermore, another study by Ramseook-Munhurrun (2012) argues that high-quality services are important for the success of organizations so that they can survive and strengthen their business. This study also discovered a substantial link between service quality and intentions to engage in repressive conduct. Because the quality of service is important and becomes the main factor for a restaurant. The same thing was also expressed by Ratnasari and Harti (2016), Marantina, et al. (2017), Ismayanti and Purwanti (2017), who said in their research that product quality, price, location and service quality have a positive effect on purchasing decisions at coffee shops. Further study is therefore required to ascertain how respondents react to lifestyle, halal labeling, and service quality and their impact on customer purchases at Starbucks coffee shops in Indonesia based on the occurrence. Therefore, research on this subject is still uncommon in Indonesia, particularly the view of halal labels associated with foreign licensed beverage products, in this example America.

2. Literature Review and Hypothesis Development

Buying Decision: The stage at which consumers decide whether or not to make a purchase is known as the purchase decision, according to Oentoro (2012). The following decisions will need to be made by the buyer when deciding whether or not to purchase: a). Product-Related Decisions: This decision is one that consumers make based on their desire to make a purchase and alternative factors. b). Product Form Decisions: With this choice, customers can choose a product depending on factors like size, style, design, and more. c). Brand-Related Decisions: In this decision, customers pick a brand by weighing their options from several brands. Marketers working for the company need to understand which competing brands consumers can choose from and why they ultimately choose a brand. d). Sales-Related Decisions: The consumer chooses where he will purchase the product in this decision. e). Decisions relating to the Number of Products: This choice relates to the quantity of goods that customers desire to purchase. In the meanwhile, businesses must understand how many products must be offered in response to how many consumer requests there are. f). Decisions Concerning Purchase Timing: This choice concerns the timing of a consumer's purchase of a good while considering several aspects, such as the accessibility of finances for the transaction: Decisions Concerning Payment Methods: The consumer's choice of payment method for the purchased item is described in this decision.

Halal Label Perception: For consumers to consume the product, halal labeling informs them that the product is actually halal and that the ingredients it contains do not contain anything that is prohibited by sharia. As a result, products without a halal label are assumed to either not have gained clearance from the designated institution (LPPOM-MUI) to be categorized as halal products or to be in question regarding their halalness. Business people who want to market to this market segment might use the halal rules to their advantage. The following components can be used to determine whether a product is halal: 1) Image, 2) text, and 3) text and image combination, 4). respect to the Packaging. The halal label's presence seeks to give customers halal protection and comfort when using the product. The goal of halal certification and labeling is to promote the competitiveness of domestic goods to boost national income and to give consumers legal clarity and protection. Alim et al. (2018) published a study by Jagdish Sheth assessing the impression of halal labels using four variables, including:

Security: There is a safety component, in terms of sources/raw materials and procedures, to the way people (Muslim customers) choose, arrange, and interpret data regarding halal food products. B. Religious values: Procedures wherein people (Muslim customers) choose, arrange, and evaluate data regarding halal food products that incorporate elements of religious values. Reliability refers to the likelihood of failure or product damage within a specific time frame. C. Health: There is a health component to the method by which people (Muslim customers) choose, arrange, and analyze data on halal food products. D. Specificity/exclusivity: Halal food goods must be distinguished from haram food products through the process by which people (Muslim consumers) choose, arrange, and interpret information about halal food items. This separation effort is made

to prevent direct contact with haram items, reduce the chance of contamination, and guarantee that the administration of halal food products is in line with Muslim consumers' perceptions.

H₁: Perception of Halal Label affects purchasing decisions at Starbucks coffee shops.

Lifestyle. The act of change can be viewed as a shift in daily activity that finally results in a change in way of life. Therefore, a set of actions that, at a certain time and location, have significance for both individuals and other people, such as relationships, consumption of products, entertainment, and clothes According to Kotler, a person's pattern of life in the world is shown in his work, hobbies, interests, and ideas, which are interpreted by Bob Sabran. Lifestyle refers to how an individual as a whole interacts with himself and his surroundings. A lifestyle is also defined as a person's manner of living, a way to spend money, and a way to spend time (Jamal & Sharifuddin, 2015; Meyer & Klonaridis, 2020; Muller & de, 2020; Nasution & Rossanty, 2018; Oktaniar et al., 2020; Sunaryo & Sudiro, 2017). A person's pattern of time and money management is considered their lifestyle in general. A person's consumption habits are ultimately determined by their behavior, which is influenced by their way of life. It is possible to assess a person's lifestyle using the following criteria: Engagements, Views, and Interests (Torun, 2020; Van & Surujlal, 2020).

H₂: Lifestyle affects purchasing decisions at Starbucks coffee shops.

Service Quality: According to Tjiptono and Chandra (2017), eight main dimensions are typically present in-service quality, including a). Performance (Performance), refers to a product's fundamental operating qualities, including the speed of package delivery, express delivery, the clarity and color of a TV's image, and food hygiene. inside the eatery. b). Features, or unique added qualities that can enhance the pleasure of using the product, such as complimentary beverages during flight, air conditioners in cars, and supplementary collections of different call tones for cell phones. c). The reliability of the product will increase with the likelihood of a breakdown decreasing. d). Confirmation, or the degree to which the product complies with the standards that have been established, such as the punctuality of train arrival and departure and the compatibility of shoe sizes to the relevant requirements. e). Product durability, or how long it will last before needing to be replaced. The product's durability increases with the potential for more frequent normal use. One product that frequently highlights durability as a major positioning is a battery. f). Serviceability, or how quickly and easily repairs may be made, as well as how knowledgeable and amiable the service crew. g). Aesthetics (Aesthetics), the study of how objects appear and are perceived by the five senses (taste, aroma, sound, and so on). h). Perceived quality, is determined by the reputation of the vendor and includes items like BMW automobiles, Rolex watches, Polo shirts, and Sony technological devices.

H₃: Quality of service affects purchasing decisions at Starbucks coffee shops.

3. Research Methodology

The research conducted in this study is a quantitative descriptive method using a purposive sampling technique, where those who have never consumed, Starbucks will not continue to fill out this questionnaire. The number of questionnaires was distributed to 252 people in cities on the island of Java, such as Jakarta, Bandung, Jogjakarta, Semarang and Surabaya, because these cities are big, usually there are Starbucks outlets, they consist of men and women. Data analysis in this study using SmarPLS. Here is the instrument grid.

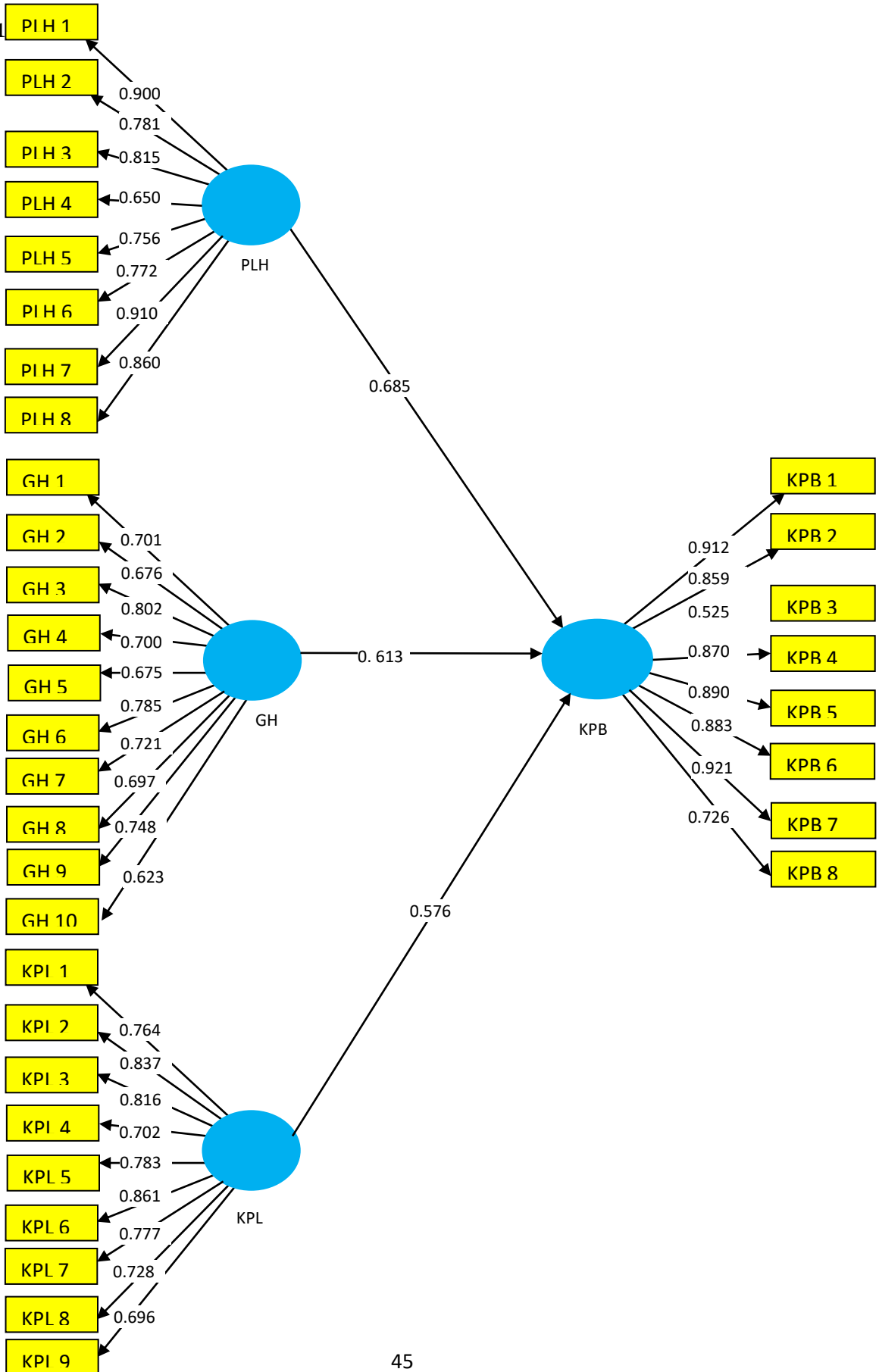
Table 1: Measurement of Variables

Variable	Measurement	Source
Purchase decision	Decision product type, decision brand, decision time of purchase, decision on payment method	Oentoro (2012)
Perception of Halal Label	Security, religious values, health, specialty	Alim et al (2018)
Lifestyle	Activity, interest, opinion	Sunaryo & Sudiro, 2017)
Quality of service	Direct evidence, reliability, responsiveness, guarantee, empathy	Tjiptono and Chandra (2017)

4. Results and Discussion

The data collected were 252 respondents. The results of the Measurement Model (Outer Model) are as follows:

Figure 1



Based on the Figure above, the results can be concluded that all instruments of indicators regarding the variables of Perception of Halal Labels, Lifestyle, Quality of Service and Purchase Decisions have met the requirements and were declared valid because all factor loading values > 0.50. Likewise, for discriminant validity and convergent validity. The reliability results are very reliable, here are the results:

Table 2: Cronbach's Alpha Reliability Table

Variable	Cronbach's Alpha
Purchase Decision	0.929
Service Quality	0.926
Perception of Halal Label	0.909
Lifestyle	0.893

Table 3: T-statistics Test Results

	Original Sample (O)	T Statistics (O/STDEV)	P Values
Lifestyle > Purchase Decision	0.613	5,487	0.000
Service Quality > Purchase Decision	0.576	4,567	0.000
Perception of Halal Label > Purchase Decision	0.685	5.221	0.017

The results of this study indicate that the perception of halal labels affects purchasing decisions. Perceptions of the halal label contribute to consumers making purchasing decisions at Starbucks Coffee, which states that when buying a coffee product, consumers pay attention to the halal label of the product, that the average respondent in this study responded that the perception of the halal label was: security, religion, health and specialty. Based on the results of the research that occurred, it turns out that these factors are the determining factors for consumers in determining their purchasing decisions because in this study respondents were more concerned with the halal factor in purchasing drinks at Starbucks as well as other things such as product quality and service quality on coffee purchasing decisions at the shop. Starbucks, since the halal component, make the largest overall contribution. Similarly, Bashir et al. (2019), the findings of a study done in South Africa, overseas consumers' intentions to purchase halal food products are significantly influenced by their awareness of halal. According to research done in South Africa, halal awareness significantly influences overseas consumers' intentions to purchase halal cuisine. According to Dwik and Samboro (2019) and Andriansyah et al. (2017), who claim that the perception of halal label variables in both studies has a significant influence on purchasing decisions, consumers in this study take halal labels into account.

When deciding what to buy because they have to purchase products that are guaranteed to be halal with the halal label, which helps management influence customers. According to Purwaningdyah and Hendayana (2021), a person's lifestyle can reflect, or behavior or culture that can place a person's lifestyle, and this study's findings show that there is indeed a significant influence between lifestyle and the purchase of coffee at Starbucks. This is because a person's lifestyle can reflect, or behavior or culture that can place a person's lifestyle. According to Rivera et al. (2017), some people spend more time outside the home due to obligations for work or education, so purchasing food or beverages like coffee is customarily done in coffee shops. Meanwhile, Djamaludin and Silmie (2021) claim that a person's way of life has an impact on whether or not they buy coffee drinks. The study's findings revealed a connection between gender, way of life of belief, and way of life of striving hard and consumption of instant coffee. According to the influence test findings, male gender and lifestyle preferences have an impact on how much instant coffee is consumed. Respondents are typically categorized as successful coffee consumers due to their lifestyle and need for more energy. According to the findings of the third analysis, the STARBUCKS shop's customers' decisions to buy coffee are significantly influenced by the level of service.

The initial idea put forward in this study is supported by these findings. Customers favor coffee shops with welcoming staff. Baristas also offer different coffee varieties based on what the customer wants. This demonstrates that customer service quality has a strong and considerable impact on purchasing decisions and that customers consider service quality when choosing which Starbucks outlets to buy coffee from. In this

view, it is possible to assert that service quality, as demonstrated by concrete data, dependability, responsiveness, certainty, and empathy, significantly affects consumers' decisions to buy. This occurs because customers believe that Starbucks' high level of customer service influences their choice to buy coffee from one of their retail locations. This is consistent with Tamama, et al. (2019) and Marantina, et al. (2017) Resto," both of which assert that service quality has a significant impact on purchasing decisions. In this study, it is described how the management of the quality of service applied by the coffee shop management and up to the frontline employees is done well so that it plays a crucial role in persuading someone to choose to buy halal coffee products. These findings are also consistent with Ramseook-Munhurrun (2012) argument that enterprises need to provide high-quality services to succeed and grow their businesses. This study also discovered a substantial link between service quality and intentions to engage in repressive conduct. Because a restaurant's key determining element is the quality of its service. A similar idea was also made by Ratnasari and Harti (2016) and Ismayanti and Purwanti (2017), who claimed that coffee shop purchases are positively impacted by product quality, price, location, and quality service.

5. Conclusion

Based on the data analysis and discussion of the decision to buy coffee at a Starbucks store in South Tangerang, it can be said that the perception of the halal label has an impact on customers' choices to buy coffee at Starbucks locations. This demonstrates that label perception should be taken into account along with other variables like safety, religion, health, and specificity while making beverage purchases at Starbucks locations. At Starbucks locations, coffee purchase decisions are influenced by lifestyle. Customers consider service quality to be a deciding factor when purchasing coffee at Starbucks outlets, which suggests that service quality, has an impact on customers' decisions. From the findings, it is clear that the majority of Indonesians, particularly millennials, have lifestyle factors that influence their decisions to buy Starbucks coffee. This is true even though they still consider whether or not the coffee they consume is halal because the brand they carry still has an international scent and is still imported. In addition to the services offered by Starbucks, it also affects customers' decisions to purchase coffee there because customers won't come in to buy without decent service. Given that Starbucks coffee is still relatively expensive in Indonesia, an independent variable for the price can be added for future research. to determine afterward if the cost influences whether or not Starbucks coffee is purchased.

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