

CHAPTER I

INTRODUCTION

1.1 Background

Changes in consumer lifestyles have benefits for the culinary industry. The culinary business is one of the sectors that influence the growth of other industries (Dalem, 2021). In the current era, many companies have sprung up with their main products being drinks and ice cream, this is due to high market demand and ongoing trends (Siregar & Lubis, 2019). The beverage and ice cream business can generate high profits because it can be found in various places. Drinks and ice cream are still a consumer favorite as a dessert (Rosmayanti, 2023).

It is important for marketers to be consistent in increasing their sales without being tempted by competitors. The best way for marketers to stay competitive in the business world by increasing consumer purchase intention (Alimansyah et al., 2022). Another aspect that can increase consumer purchase intention to trust the products being sold is the ownership of halal certificates. The term "halal" comes from Arabic, which signifies everything that is permitted in Islamic teachings (Joshi & Garg, 2022). Islam restricts food consumption, with some types of food prohibited in Islamic law (Winesti & Ningsih, 2019). Halal certificates ensure that the ingredients used are in accordance with Islamic law, and they are a symbol of trustworthy quality (Ias, 2019).

Many brands, both local and non-local, have emerged in Indonesia. Many of them provide assurance to consumers regarding the quality of ingredients and manufacturing processes used in each product they have. But not all of them have

halal certificates even though they have adjusted these standards. One of them, which has been widely discussed lately, is Mixue (Henry & Mutiah, 2022). There is a lot of speculation about the halalness of their products.

In line with the rapid expansion of Mixue outlets in various places, speculation arose regarding its potential strategic influence and impact on the snack food industry. Mixue is a brand from China that was founded by Zhang Hongchao in 1997 (Gunawan, 2023). Their main products are ice cream, shaved ice, and smoothies. Mixue is growing well until it is able to establish branches abroad. In 2020, Mixue was present in Indonesia and their first branch was in Bandung, West Java. This is because Bandung is considered to be the center of culinary tourism in Indonesia (Gunawan, 2023).

Nowadays, it is easy to find every Mixue outlet in Indonesia. The high interest and enthusiasm of the community makes the spread of Mixue fast. Many people nicknamed Mixue as the "Angel of the empty shophouses" because many outlets were established in the place of empty shophouses (Dewi, 2022). Until the end of March 2022, the total number of Mixue outlets that have been established in Indonesia is 317 stores. From the report published by IDX Channel, it shows that the operating income generated was Rp. 57.2 billion with a net generated of Rp. 5.04 billion (Wijayanti, 2023).

The high consumer attraction to Mixue arises because of the low price, and large portions. However, there are concerns from consumers about Mixue products (Henry & Mutiah, 2022). This is because there is no clarity regarding the halal certificate owned by Mixue. The number of consumer concerns was heard by

Mixue, so Mixue provided official clarification through the official Instagram regarding this matter. Mixue management admitted that until Saturday, December 31, 2022 they are still waiting for the halal certification process.



Source: Instagram Mixue Indonesia, 2023

Figure 1.1
Mixue Clarification

Mixue focuses on halal certification and how it affects consumer trust and brand loyalty in the market. By conducting thorough research, they ensure that every product produced meets strict halal certification standards while keeping in mind the needs and preferences of halal-conscious consumers (Lisfiyanti, 2023). Close collaboration with leading halal certification bodies enables Mixue to stay abreast of the latest developments in halal certification standards and procedures. Close supervision of the supply chain, innovation in product development, as well as internal awareness on the importance of halal certification are Mixue's main focus in maintaining consumer loyalty (Syahputra, 2023).

In the end, Mixue was able to receive a halal certificate from the Indonesian Ulema Council (MUI). Through a hearing conducted on Wednesday, February 15, 2023, a decision was made that Mixue had met every halal standard that had been made by MUI (Syahputra, 2023). The results of this decision apply to all Mixue outlets in Indonesia. MUI Chairman of Fatwah, KH Asrorun Niam Sholeh said "All Mixue product ingredients have been guaranteed halal and purity" (Lisfiyanti, 2023). This was immediately confirmed by Mixue through their official Instagram regarding the halal certificate obtained.



Source: Instagram Mixue Indonesia, 2023

Figure 1.2
Mixue Halal Statment

This research includes several variables that discuss halal products. Brand image is important in the halal culinary industry in Indonesia (Prastiwi, 2018). Brand image has a function as an added value of a product and establishes product identity (Khadijah & Wulandari, 2020). Halal brands can encourage consumers to be more interested in buying, because their quality and trustworthiness have been tested (Ali et al., 2020). Halal brand image can increase consumer judgment in meeting their needs and satisfaction based on the trust they hold.

The satisfaction felt by consumers towards halal brand image can foster loyalty. Halal brand loyalty includes the extent of consumer desire and commitment to make purchases. Brand loyalty is an important aspect for products to compete influenceively and gain consumer loyalty (Kusuma & Miartana, 2018). Ali et al (2018) argue that brand loyalty plays an important role in terms of halal products. Increasing the evaluation of brand loyalty can involve analyzing consumer actions by measuring customer satisfaction (Christino et al., 2020).

Trust in halal brands can reflect consumer confidence and security regarding the quality and halal certification of these products. Halal brand trust has an important role in the culinary industry, especially in beverage and ice cream products. This can instill consumer confidence and reduce the risk of consumer doubts about halal products (Atulkar, 2020). Perceptions of halal brands are important in fostering consumer trust, which in turn can lead to good relationships. Marketers can develop consumer trust in halal brands by facilitating interactions and can increase purchase intention (Kusuma & Anandya, 2023).

Influenceive marketers can provide information on products and encourage consumer purchase intention. Purchase intention is the action of consumers in understanding a product or service offered so that they have the desire to buy in the future (Peña-García et al., 2020). Marketers who understand purchase intention will more easily anticipate consumer interest in brands (Agmeka et al., 2019). Consumers when they want to buy a product tend to search for and evaluate carefully the information received. Consumer action to buy a product can arise

when their needs are met, this happens because consumers feel that the product is only to meet functional requirements (Hakim, 2020).

This study aims to examine the Influence of halal brand image on halal brand loyalty and halal brand trust on purchase intention. This research is based on several descriptions and phenomena above referring to the halalness of Mixue products. Therefore, the authors propose the following title "An Analysis of the Relationships between Halal Brand Image, Halal Brand Loyalty, Halal Brand Trust and Purchase Intention in the Food and Beverage Industry."

1.2 Formulation of The Problem

Based on the background description of the existing problems above, the problem formulation in this study can be formulated as follows:

1. Does halal brand image significantly affect halal brand loyalty?
2. Does halal brand image significantly influence halal brand trust?
3. Does halal brand image significantly influence purchase intention?
4. Does halal brand loyalty significantly influence purchase intention?
5. Does halal brand trust significantly influence purchase intention?
6. Does halal brand image significantly influence purchase intention through the mediation of halal brand loyalty?
7. Does halal brand image significantly influence purchase intention through the mediation of halal brand trust?

1.3 Research Objective

Based on the description of the problem formulation that already exists in this study, the objectives of this study are as follows:

1. Analyzing the significance of the influence of halal brand image on halal brand loyalty.
2. Analyzing the significance of the influence of halal brand image on halal brand trust.
3. Analyzing the significance of the influence of halal brand image on purchase intention.
4. Analyzing the significance of the influence of halal brand loyalty on purchase intention.
5. Analyzing the significance of the influence of halal brand trust on purchase intention.
6. Analyzing the significance of the influence of halal brand image on purchase intention through the mediation of halal brand loyalty.
7. Analyzing the significance of the influence of halal brand image on purchase intention through the mediation of halal brand trust.

1.4 Research Benefits

This research is expected to be useful for three parties, namely for companies, for researchers, and for readers. The benefits of this research are as follows:

1. Benefits for the Company.

This research is expected to provide input and also evaluation material to the Mixue company, related to consumer purchases. So that in the future it can be used by Mixue as a material consideration in planning sales activities and also decision making carried out by Mixue.

2. Benefits for Researchers.

This research is expected to provide experience and application of knowledge that has been obtained by researchers in the field of management, especially marketing management.

3. Benefits for Readers.

This research is expected to be new knowledge and information for readers so that the benefits can be felt by readers. In addition, researchers also hope that readers can understand and make considerations in making repeated purchase intentions (Purchase intention) of consumers for Mixue products.

1.5 Systematization of Writing

This research adopts a writing systematic with five main chapters. which is designed to provide a comprehensive overview and clear structure related to the content of the research. This systematics aims to make the research well organized and easy to understand. With the application of this systematics, it is expected that readers can easily follow the flow of thought and understand the findings produced in this research. The components of this research consist of:

CHAPTER I: INTRODUCTION

This chapter provides a comprehensive overview of the contextual background, which shapes the researcher's perspective regarding the problem formulated, the purpose of the study, the anticipated benefits, and the systematic approach used in the research. This chapter delves into the basic elements that drove the researcher's deliberations, providing insight into the rationale behind the chosen problem and expected outcomes. In addition, this chapter also outlines the systematics applied

throughout the research process, describing the structured methodology and framework that guided the investigation. This detailed exploration aims to provide readers with a deeper understanding of the conceptual underpinnings of the research and the strategic approach taken to address the identified issues.

CHAPTER II: THEORITICAL FOUNDATION

This chapter provides an extensive exploration of the existing literature, encompassing previous studies relevant to the issues under examination. It delves into the theoretical underpinnings that form the intellectual framework for understanding the researched problems. Furthermore, the chapter elucidates the conceptual model guiding the thought process in this research. Offering a comprehensive view of the theoretical constructs shaping the study's foundation. Moreover, the chapter articulates the research hypothesis, outlining the expected relationships between variables and providing a theoretical basis for the anticipated outcomes. This strategic integration of literature, theory, and hypothesis serves to establish a robust theoretical framework for the current study, enhancing the overall coherence and validity of the research design.

CHAPTER III: RESEARCH METHODS

This chapter systematically outlines the research methodology, which includes research design, boundaries, variable identification with operational definitions, research instruments, population, sampling techniques, data collection methods, and validity and reliability tests. The book guides each step, ensuring clarity and precision in the conduct of the research. The concise presentation emphasizes the methodological rigor used, strengthening the overall foundation of the research.

This thorough exploration of the research procedures aims to ensure methodological rigor and transparency, thus strengthening the underlying foundation of the study.

CHAPTER IV: DESCRIPTION OF RESEARCH SUBJECTS AND DATA ANALYSIS.

In this chapter, the research subjects are meticulously described, encompassing their characteristics and the criteria utilized for their selection. The analysis of research data unfolds with a comprehensive descriptive examination, shedding light on prevalent patterns and trends. The evaluation of both the outer and inner models is conducted rigorously through the SmartPLS application, ensuring a robust scrutiny of the research framework's structural integrity. The chapter further delves into the meticulous testing of research hypotheses, employing empirical evidence and statistical measures to ascertain the validity of proposed conjectures. Overall, this chapter serves as a crucial bridge between data analysis and interpretation, offering a comprehensive understanding of the research subjects and the nuanced intricacies of the conducted analysis.

CHAPTER V: CONCLUSIONS, LIMITATIONS, AND SUGGESTIONS.

In this chapter, the research findings are analyzed to draw meaningful conclusions that contribute to the existing body of knowledge. The limitations of the conducted research are also critically examined to provide a transparent understanding of the study's boundaries. Suggestions are offered to guide future researchers in refining methodologies or exploring additional dimensions for a more comprehensive understanding of the subject matter. Furthermore, recommendations are extended

to practitioners and the wider community, outlining potential applications or implications derived from the research outcomes.

