

ORIGINAL

## Is Halal Certification Policy Suitable for all Industry Levels? The Role of Halal Assumption in Muslim-Majority Country

### ¿Es la política de certificación halal adecuada para todos los niveles de la industria? El papel de la presunción halal en los países de mayoría musulmana

Bambang Iswanto<sup>1</sup>  , Yudi Saputra<sup>2</sup>, Fitria Rahmah<sup>3</sup> , Nurul Fadhilah<sup>3</sup> , Idhafiyyah Anwar<sup>3</sup> 

<sup>1</sup>Universitas Islam Negeri Sultan Aji Muhammad Idris Samarinda, Department of Islamic Economic Law. Samarinda. Indonesia.

<sup>2</sup>Universitas Islam Internasional Indonesia, Faculty of Economics and Business. Depok. Indonesia.

<sup>3</sup>Universitas Islam Negeri Sultan Aji Muhammad Idris Samarinda, Department of Islamic Economic. Samarinda. Indonesia.

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Corresponding author: Bambang iswanto 

#### ABSTRACT

Indonesia, as a Muslim-majority country, could serve as a reference for understanding how religious and cultural contexts shape consumer behavior. In this context, this study aims to examine the influence of halal assumption, perceived risk, and perceived benefit on purchase intention through attitude by introducing the construct of “Halal Assumption,” which reflects the role of Islamic socio-cultural factors in shaping consumers’ perceptions of halal. A quantitative approach was used with data collected from 314 respondents through an online survey. The analysis employed Structural Equation Modeling-Partial Least Squares (SEM-PLS). The results show that halal assumption affects attitude, which mediates its relationship with purchase intention. Consumers in Muslim-majority contexts hold inherent preconceptions about halalness even without formal certification. The findings highlight that positive perceptions and attitudes increase purchase intention, whereas perceived risk has no effect on consumer decisions. The study contributes to the refinement of halal policy by emphasizing cultural and religious capital as a foundation of consumer trust. It also suggests that a self-declared halal system can serve as a cost-efficient alternative for small enterprises in Muslim-majority countries.

**Keywords:** Halal; Halal Assumption; Local Street Food; SEM-PLS; Indonesia.

#### RESUMEN

Indonesia, como país de mayoría musulmana, podría servir como referencia para comprender cómo los contextos religiosos y culturales configuran el comportamiento del consumidor. En este contexto, este estudio tiene como objetivo examinar la influencia de la suposición halal (*Halal Assumption*), el riesgo percibido y el beneficio percibido sobre la intención de compra a través de la actitud, introduciendo el constructo de “Suposición Halal”, que refleja el papel de los factores socioculturales islámicos en la formación de las percepciones de los consumidores sobre lo halal. Se utilizó un enfoque cuantitativo con datos recopilados de 314 encuestados mediante una encuesta en línea. El análisis se realizó utilizando el modelo de ecuaciones estructurales con mínimos cuadrados parciales (SEM-PLS). Los resultados muestran que la suposición halal influye en la actitud, la cual media su relación con la intención de compra. Los consumidores en contextos de mayoría musulmana mantienen preconcepciones inherentes sobre la condición halal incluso sin certificación formal. Los hallazgos destacan que las percepciones y actitudes positivas aumentan la intención de compra, mientras que el riesgo

percibido no afecta las decisiones de los consumidores. El estudio contribuye al perfeccionamiento de la política halal al enfatizar el capital cultural y religioso como base de la confianza del consumidor. Además, sugiere que un sistema de autocertificación halal puede servir como una alternativa rentable para las pequeñas empresas en países de mayoría musulmana.

**Palabras clave:** Halal; Suposición Halal; Comida Callejera Local; SEM-PLS; Indonesia.

## INTRODUCTION

The rapid expansion of the halal industry has created new challenges in ensuring the consistency of halal standards across different sectors. One of the major issues concerns the extent to which halal certification is necessary and how it affects consumer behavior in Muslim-majority societies. Referring to *Pew Research Center* and *World Population Review*, the total world Muslim population has reached around 2 billion people. Indonesia is the representing 12,27 % of the total global Muslim population.<sup>(1)</sup> In percentage terms, Indonesia is not the country with the largest percentage of Muslims in the world, countries such as Bangladesh, Iran, Libya, Turkey and Saudi Arabia have a greater percentage of muslim compared to Indonesia. Even Mauritania and Maldives each have a muslim percentage of 100 %.

Muslim-majority countries have a stronger need to ensure the availability of halal products compared to Muslim minority countries.<sup>(2,3,4,5)</sup> Consequently, research on halal-related issues has continued to expand in recent years. However, most studies have focused on halal certification.<sup>(5,6,7,8,9,10)</sup> Halal” and “halal certification” are two different things, “halal” means “permitted” in accordance with the provisions of Islamic law, while “halal certification” is a series of certification processes to ensure that a good/service is standardized halal.<sup>(11)</sup> “Halal certification function as an assurance mechanism to strengthen consumer confidence in the halal integrity of products and services. As an additional instrument, there are differences of opinion regarding the nature of “halal certification” whether it is mandatory or voluntary. In Indonesia, In Indonesia, halal certification was voluntary in its early phase, but after the enactment of Law No. 33/2014 on Halal Product Guarantee, it became mandatory.<sup>(12)</sup>

Halal certification, which was voluntary in its initial stage and later became mandatory, is considered beneficial form the consumer perspective because it forms part of the government’s consumer protection framework, especially for muslims. Mandatory halal certification represents a formal commitment to protect Muslim consumers by ensuring that goods and services have been verified as halal and can be guaranteed for their halal integrity. As a country with the largest Muslim population in the world, Indonesia is a country that is quite influential on the development of halal in the world, one of which is by being a pioneer in the formation of The World Halal Food Council (WHFC) which is the idea of the Indonesian Council of Ulama (LPPOM MUI).<sup>(11)</sup> Indonesia’s position is often referred to in the context of halal.

In many studies conducted in Muslim-majority countries, halal certification is identified as one of the main factors influencing purchasing decisions. Al-Qaradawi stated that halal products provide a guarantee of safety and purity, so that consumers feel more confident and comfortable when consuming them.<sup>(13)</sup> Halal certification can increase the perception of product quality in the eyes of consumers. With certification, consumers feel that the product has gone through a strict supervision process and meets sharia standards.<sup>(14)</sup> Several studies show that although halal certification is important, there are other factors that are more dominant in influencing purchasing decisions, such as price, brand, quality and promotion. Awan found that price and quality remain the main considerations for consumers even though there is halal certification.<sup>(15)</sup> Not all consumers have the same understanding of what is meant by halal. Jamal & Sharifuddin found that there were some consumers who thought that products with halal certification were perceived as of better quality, even though halal related to the purity and permissibility of the product from a sharia perspective.<sup>(16)</sup>

Halal certification has evolved from a voluntary religious assurance into a structured global system that defines production, processing, and distribution standards for goods and services claimed to be halal. Originating in the 1970s within Muslim-majority countries with Malaysia and other Southeast Asian nations among the earliest adopters, the certification process began as a formal response to increasing consumer demand for verified halal products. Research on purchasing decisions about halal products has become a major topic of interest in countries with large Muslim populations. One notable aspect that stands out is how individual characteristics influence halal meat consumption, as shown by Ali et al.<sup>(17)</sup> in China. The study highlights the importance of considering consumers’ personality traits in understanding halal consumption behavior. Halal awareness has also been identified as an important factor influencing purchasing decisions in Malaysia, where Rahman found that halal awareness had a positive impact on purchasing decisions about halal meat.<sup>(18)</sup> In addition, organizational culture has emerged as a significant intervening variable in the context of halal product purchase intentions, as shown by Mukhtar, who emphasized the importance of understanding organizational culture in controlling purchase intentions.<sup>(19)</sup>

Halal certification puts the focal point on consumer protection, but does not capture the issue of protection for producers. Law No. 33/2014 omits a detailed clarification of the business actors involved, so MSMEs also have an obligation to carry out halal certification. MSMEs have the largest proportion of Indonesia's economic structure. Micro, small and medium enterprises (MSMEs) have a proportion of 99,9 %, with a total of 65,471,134 units while large businesses are only 0,01 % with a total of 5,637 units (KEMENKOPUKM). Indonesia is not only dependent, but very dependent on MSMEs, considering the dominance of MSMEs in Indonesia's economic structure. In terms of cost, halal certification will be a negative catalyst for the development of MSMEs, given the very large proportion of MSMEs. No exception for roadside food vendors who are included in the MSME group.

This study aims to identify the factors influencing Muslim consumers' decisions to purchase local food products by introducing the variable of halal assumption. The term *halal assumption* in this research refers to how consumers perceive a product's halalness beyond the presence of formal certification. In a Muslim-majority context, Indonesia possesses strong social capital associated with halal products. From a cultural perspective, Indonesians are accustomed to producing and consuming halal food, and the influence of Islamic values extends to various aspects of daily life, shaping consumption patterns that align with what is considered halal. The procedural approach of halal certification, however, tends to diminish the role of pre-existing cultural practices that have maintained halal standards in the pre-policy era, even before formal certification policies were established in Indonesia. Therefore, it is essential to understand how Indonesian consumers perceive the concept of halal in the context of local roadside food. The purpose of this study is to explore the relationship between halal assumption, attitude, perceived risk, perceived benefit, and purchase intention within this context, providing a broader understanding of consumer behavior in Muslim-majority societies.

### Previous studies and literature review

#### Previous Studies

There are not many studies that focus on researching the topic of purchase or pattern intention on street food, when the research was written, there were only 3 studies that examined the topic.<sup>(20,21,22,23)</sup>

Consumers' decision-making on purchasing safe street food.<sup>(22)</sup> This research builds a moderately variable model that influences consumers' purchasing decisions on safe street food. The independent variables used are motivation, knowledge, and convenience, while the recognition and pre-evaluation variables are used as moderating variables. The results of his research show that pre-evaluation is a fully moderative variable before deciding to make a purchase.

An Anrticle examined the relationship between consumer attitudes and purchase intention in street food.<sup>(20)</sup> This study uses consumer attitudes as independent variables, while perceived benefits and perceived risks are used as mediating variables for consumer purchase intention. The results of the study show that perceived risk and perceived benefit are mediating variables between consumer attitudes and consumer behavior intention.

Researching tourist buying behavior towards Thai street food.<sup>(21)</sup> This study uses satisfaction as an independent variable, while attitude and attachment as mediation variables to intention to continue eating and intention to recommend. Perceived risk is used in research as a moderating variable between attitude and attachment to intention to continue eating and intention to recommend. The results of the study showed that satisfaction, attitude, and attachment were proven to have a positive effect on the intention (to continue eating and to recommend) of Thai street food. This study also confirms that perceived risk is a variable that has been shown to be moderate to the intention of tourists to consume Thai street food.

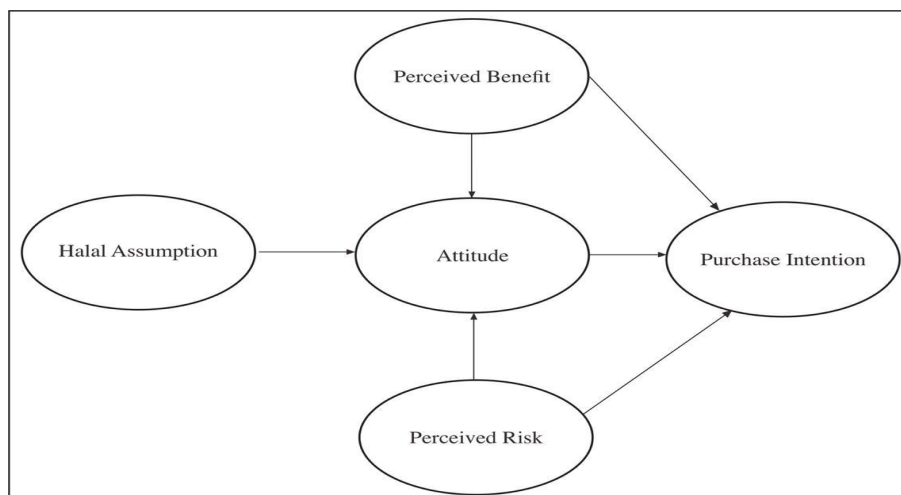


Figure 1. Research Model

This research will adapt the research conducted by Gupta V et al.<sup>(20)</sup> and Jeaheng Yet al.<sup>(21)</sup>, by adding variables that are in accordance with the Indonesian context. Given that Indonesia is the country with the largest Muslim population in the world, the role of religious variables in this case is halal, which is something that should be considered. Halal assumption in this study is different from halal certification, as discussed in the initial section. Halal assumption seeks to look at the pre-conception that exists in consumers, in seeing street food. The use of halal assumption variables considers the development of halal in Indonesia which is colored by a very close socio-cultural approach. So that halal certification is not the only approach that can be used. The research model we used is shown in figure 1.

### Street Food

Referring to the World Health Organization, ‘street food’ or ‘street-vended food’ is food and/or drinks that are prepared and sold on the side of the road or similar locations.<sup>(24)</sup> Street food businesses are self-employed and supported by a limited capital.<sup>(25)</sup> Street food plays an important role in socio economics structure as a key livelihood for low-and middle-income for low-middle income groups.<sup>(26)</sup> The World Bank reclassified Indonesia as an upper-middle income country after a brief period of reversion to lower-middle income status in 2020 due to the COVID-19 pandemic.<sup>(27)</sup> Despite this upgrade, street food remains popular among Indonesians because of its affordability, cultural embeddedness, and convenience.<sup>(28,29)</sup> Street food vendors are often associated with self-employment, limited capital, informal sector dynamics, and lower levels of formal education, making the sector an important source of livelihood for low- to middle-income households.<sup>(25,30)</sup> The obligation of halal certification overshadows the additional cost burden that must be borne by street food producers, who operate with limited capital and minimal access to financial support.<sup>(31)</sup>

Changes in business regulations in the context of mandatory halal certification, whether necessary and important from the consumer side of ‘street food’ are an interesting issue. In addition to the popularity and development of ‘street food’ that continues to improve, its existence as a socio-economic support for the people of Indonesia also needs to be a concern. In addition to halal assurance offered through halal certification which can add to the benefits received by consumers, local street food as well as offers other benefits such as: low prices and easy to find.<sup>(20)</sup> In addition to the series of benefits received, consumers must also negotiate with the risks that may arise from consuming local street food including cleanliness, sanitation, and improper storage.<sup>(32,33,34)</sup>

### Perceive Risk and Perceive Benefit

Perceive risk and perceive benefit, can be one of the frameworks that can explain consumer choices over the consumption of goods or services.<sup>(20)</sup> Consumption, especially food, will be greatly influenced by concerns related to the dangers that arise or vice versa pleasure for the benefits obtained.<sup>(35)</sup>

Perceive risk can be defined as the accumulation of possibilities arising from a purchase decision, along with the consequences to be faced.<sup>(36,37)</sup> A consumer will consider what the expected impact is, and the risks that can be accepted for a purchase. <sup>(20)</sup> conceptualize perceived risk as a negative consequence that a consumer may receive either individually or as part of society, caused by the consumption of a good or service. In this study, perceived risk was defined as a negative consequence that can be consciously accepted by a person when making a purchase, especially food on street food. In simple terms, we can think that perceived benefit is the opposite of perceived risk. Perceive risk is consumer confidence about the possible benefits derived from the consumption of a good or service.<sup>(38)</sup> The benefits received by everyone will be very different and are quite influenced by one’s preference for something. Consuming street food has several benefits, including taste, cheapness, relatively large portions, service time, availability, simplicity, and a variety of menus. In this study, perceived benefit is consumer confidence in the positive benefits received from consuming a good/service, especially consuming food on street food. So that perceived risk and benefit will affect someone’s purchasing intentions

### Attitude and Purchase intention

Attitude in the context of buying can be interpreted as “the way of thinking” influences consumer purchase intention.<sup>(39)</sup> Attitude describes consumers’ interest and evaluation of something profitable to form certain behaviors.<sup>(40)</sup> Based on this understanding, the formation of a person’s attitude will be greatly influenced by the results of the evaluation related to the risks and benefits he receives for a purchase decision. Consumer attitudes can affect certain behavioral intentions including (1) purchase, (2) recommending to others, (3) spreading positive words of mouth.<sup>(41) (42)</sup> in Theory of Planned Behavior has explained the relationship between current behavior and the prediction of certain behavioral intentions in the future. Restaurant menus can influence the formation of a person’s attitude and further influence future changes in behavior.<sup>(43)</sup> The research of <sup>(44)</sup> found a strong relationship between attitude and behavior intention.

### Halal Assumption

Halal assumption is a new terminology that is trying to be built in this study. The term “assumption” corresponds to “pre-conception” or “implicit belief”.<sup>(45)</sup> The behavioral economics approach provides a critique of conventional economic models, which place a person in a position that can access information without limits in making a decision.<sup>(46)</sup> In reality, one will use the rule of thumb, as one of the avenues in making economic decisions, one of which is the purchase decision.<sup>(47)</sup> Assumption in this study is defined as a belief that has been formed in the mind of consumers towards something. Based on this description, halal assumption can be defined as a consumer confidence in the halalness of something, in this case food sold by street food.

In the context of halal, street food is one of the industries that gets halal self-declared facilities. Halal self-declare is part of halal certification, where producers can independently declare the halalness of the products produced. Halal self-declare is a form of affirmation that the process of producing food sold by street food does not have a complicated production chain, so that consumers, especially Muslims, can do halal self-detection. On the other hand, manufacturers are also given confidence to ensure that the food products sold meet halal standards.

In the context of halal, even if street food does not have a long chain of production processes, consumers still cannot really ensure that the food consumed is halal even if they continue to make purchases. The condition of uncertainty and freedom of information faced by consumers, should be allegedly resolved by the form of belief that the food sold by street food merchants is halal. As previously explained, attitude is a form of consumer interest and evaluation, attitude will be influenced by certain preconceptions. The pre-conception can be a halal assumption.

### METHOD

This study employs a quantitative, non-experimental, observational, and cross-sectional design with an explanatory purpose. The model was tested using Structural Equation Modeling-Partial Least Squares (SEM-PLS) to accommodate exploratory research objectives and to enable the development of new variables. The population of this research consists of consumers of local street food in Indonesia, while the sample includes 314 valid respondents who met the inclusion criteria of being 17 years of age or older and having purchased local street food at least once within the previous three months. As the total population of street food consumers is unknown, the minimum sample size was determined using Cochran’s formula for large populations with a 95 % confidence level ( $Z = 1,96$ ),  $p = 0,5$ , and a margin of error of approximately 5,5 %, resulting in an estimated 318 respondents. The obtained sample size meets this minimum threshold. Respondents were selected through a non-probability sampling approach that combined convenience and snowball techniques, chosen due to the absence of a complete sampling frame of street food consumers and to facilitate broader reach through online distribution channels such as social media and messaging platforms.

### RESULTS

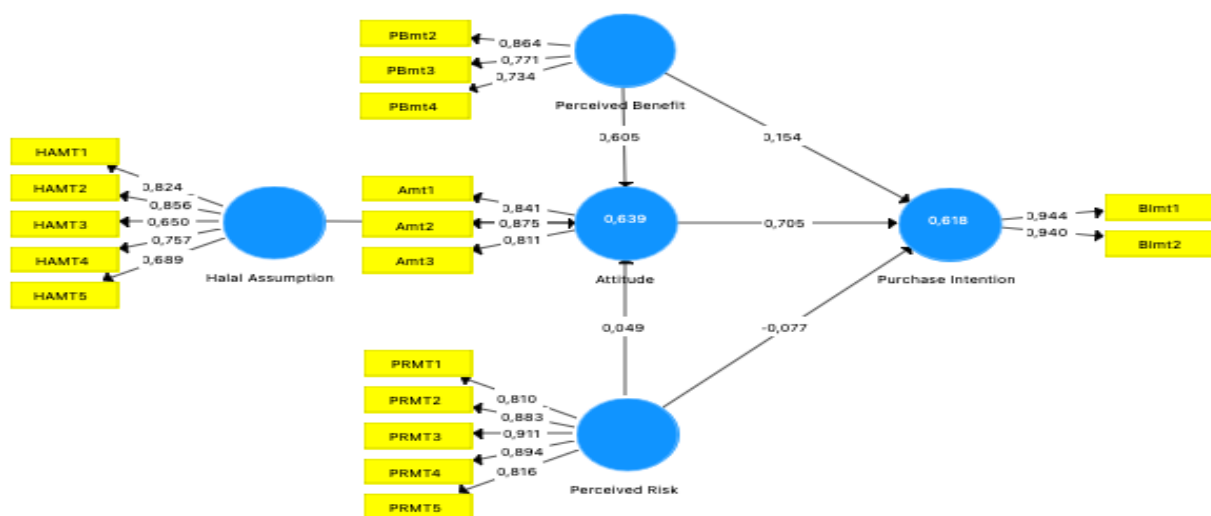


Figure 2. Research Model

The demographic characteristics of respondents provide an overview of the profile of street food consumers who participated in this study. Table 1 presents the distribution of respondents based on gender, age group, education level, occupation, and average monthly expenditure. These characteristics are essential for



understanding the diversity of the sample and ensuring that the data represent consumers from various socio-economic backgrounds.

Table 1. Respondent Demographic			
Variable	Description	Frequency	%
Gender	Male	85	27,07
	Female	229	72,93
Age	16-19	50	15,92
	20-23	35	11,15
	24-27	19	6,05
	28-35	52	16,56
	> 35	158	50,32
Occupation	Student	88	28,03
	Private employee	52	16,56
	Entrepreneur	24	7,64
	Civil Servant	61	19,43
	Others	136	43,31
Income/ month	<Rp 1 million	78	24,84
	Rp 1-2 million	41	13,06
	Rp 2-5 million	93	29,62
	Rp 5-10 million	71	22,61
	>Rp 10 million	31	9,87
Education	Junior High School	7	2,0
	Senior High School	101	32,0
	Diploma	17	5,0
	Bachelor	133	42,0
	Master	42	13,0
	Doctoral	14	4,0
Note: N=314			

### Model Measurement

From the 19 questions used in the questionnaire, 18 questions met the outer loading cut-off (0,7). Indicators that have an outer loading value of < 0,7 have been excluded from the model (figure 2), because they do not meet the criteria of reliability and validity. After elimination, the model shows the values of reliability, validity, and collinearity that have complied with the recommended standards, in this case CA ( $\geq 0,7$ ), CR ( $\geq 0,7$ ), AVE ( $\geq 0,5$ ), VIF ( $\geq 3-5$ ) in table 2 and Fornell & Larcker criterion as shown in table 3.

Table 2. Measurement of Reliability, Validity, & Collinearity of Variables						
Variables	Indicator	Outer Loading	CA	CR	AVE	VIF
Halal Assumption			0,82	0,87	0,58	
HAMT1	I believe local street food is halal.	0,82				2,30
HAMT2	I believe the ingredients used in street food are halal (meat, vegetables, etc.).	0,86				2,52
HAMT3	I am sure local street food vendors understand the law of halal on food and drink.	0,65				1,49
HAMT 4	I'm sure local street food vendors, don't sell food/drinks that are non-halal.	0,76				1,53
HAMT5	I believe local street food vendors are concerned about the halal equipment utilised	0,69				1,59
Perceived Risk			0,91	0,94	0,75	
PRMT1	I'm sure it's local street food, selling fresh food.	0,81				2,05
PRMT2	I'm sure local street vendors, store food in a clean place	0,88				3,33
PRMT3	I'm sure local street food vendors, pay attention to the cleanliness of the materials used.	0,91				4,53

PRMT4	I'm sure local street food vendors, pay attention to the cleanliness of the equipment used.	0,89			3,55
Perceived Benefit			0,71	0,83	0,63
PBMT2	I feel comfortable when I eat, local street food.	0,86			1,46
PBMT3	Local street food managed by Muslim merchants is plentiful and easily accessible.	0,77			1,40
PBMT4	Local street food vendors are friendly in serving customers.	0,73			1,31
Attitude			0,80	0,88	0,71
AMT1	I feel confident eating local street food	0,84			1,69
AMT2	I like to eat local street food.	0,87			1,89
AMT3	For me, local street food vendors offer food/ drinks to suit my taste.	0,81			1,59
Purchase Intention			0,87	0,94	0,89
BIMT1	I will buy some local street food back.	0,94			2,51
BIMT2	I would recommend someone else to eat at the local street food handled by Muslim traders	0,94			2,51

### Structural Model

In structural model evaluation, discriminant validity testing is carried out. Discriminant validity testing is performed to confirm that all constructs have significant differences. After assessing discriminant validity, the model must confirm that all constructs have significant differences. This study used Fornell-Larcker criteria, to test the validity of discriminants.

Table 3. Fornell-Larcker Criterion					
	Attitude	Halal Assumption	Perceived Benefit	Perceived Risk	Purchase Intention
Attitude	0,84				
Halal Assumption	0,60	0,76			
Perceived Benefit	0,77	0,55	0,79		
Perceived Risk	0,56	0,66	0,58	0,86	
Purchase Intention	0,78	0,45	0,65	0,40	0,94

### Predictive Accuracy

The predictive accuracy of the model was evaluated to determine the extent to which the exogenous variables explain the variance in the endogenous constructs. The analysis was performed using the PLS algorithm followed by a blindfolding procedure in SmartPLS version 4, which automatically computes the coefficient of determination ( $R^2$ ) and predictive relevance ( $Q^2$ ). In this study, Attitude and Purchase Intention were the main endogenous variables predicted by Halal Assumption, Perceived Risk, and Perceived Benefit. The coefficient of determination ( $R^2$ ) was used to assess the model's explanatory power, where values of 0,75, 0,50, and 0,25 indicate substantial, moderate, and weak levels, respectively.<sup>(48)</sup> The blindfolding technique was applied using an omission distance of 7 to obtain the cross-validated redundancy value ( $Q^2$ ), calculated as  $Q^2 = 1 - (SSE/SSO)$ . Positive  $Q^2$  values confirm that the model possesses predictive relevance for the endogenous constructs. The results show that the  $R^2$  and  $Q^2$  values of Attitude and Purchase Intention exceeded the minimum thresholds, indicating that the model demonstrates adequate predictive accuracy and reliability in explaining consumer behavior toward halal street food.

According to table 4, the value of  $R^2$  is greater than 0,25 but less than 0,75. Therefore, it can be concluded that the perceive risk, perceived benefit and halal assumption variables have sufficient predictive power to determine attitude. The ability of the attitude variable has sufficient predictive potential in elucidating the variable of purchase intention.

Table 4. R Square				
	R Square	R Square Adjusted	$Q^2$	Effect Size
Attitude	0,36	0,36	0,44	Moderate
Purchase Intention	0,62	0,61	0,53	moderate

### Hypothesis Testing

Hypothesis testing is carried out to see the relationship between each variable. According to table 5, All P-Value values are  $\leq 0,05$ , indicating that most factors have a significant impact on attitude or purchase intention. However, the association between Perceived risk and attitude, with a value of 0,42, is not significant as it exceeds the threshold of 0,05.

	Standard Deviation	T Statistics	P Values	Decision
H1 Perceived Risk -> Purchase Intention	0,04	2,00	0,05*	Accepted
H2 Perceived Benefit -> Purchase Intention	0,07	2,31	0,02	Accepted
H3 Perceived Risk -> Attitude	0,06	0,80	0,42*	Rejected
H4 Perceived Benefit -> Attitude	0,05	12,56	0,00**	Accepted
H5 Attitude -> Purchase Intention	0,06	11,77	0,00**	Accepted
H6 Halal Assumption -> Attitude	0,06	4,07	0,00**	Accepted
Note: *p<0,05;**p<0,01				

### Indirect Effect

The findings presented in table 6 support the conclusion that the perceived risk variable does not exert a statistically significant indirect influence on purchase intention. Although additional variables exert an indirect yet substantial influence on purchase intention,

	Standard Deviation	T Statistics	P Values	Decision
Perceived Benefit -> Attitude -> Purchase Intention	0,05	7,99	0,00**	Accepted
Perceived Risk -> Attitude -> Purchase Intention	0,04	0,80	0,42	Rejected
Halal Assumption -> Attitude -> Purchase Intention	0,04	3,90	0,00**	Accepted
Note: Importance-Performance Matrix Analysis (IPMA)				

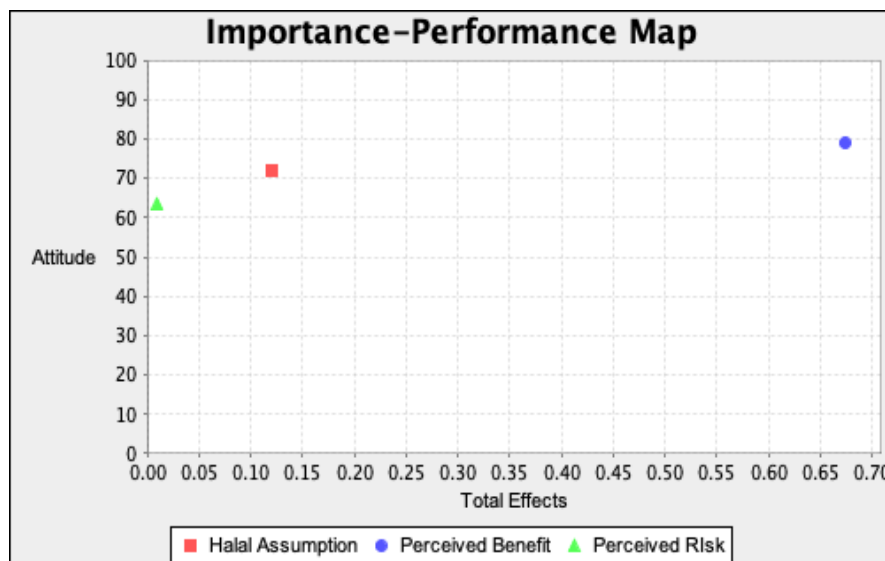


Figure 3. IPMA analysis

IPMA is to identify factors that have significant importance for the development of a particular target construct, with low performance comparisons Martilla & James. Figures 3 and 4 show the results of IPMA analysis sequentially for attitude and purchase intention.<sup>(49)</sup>



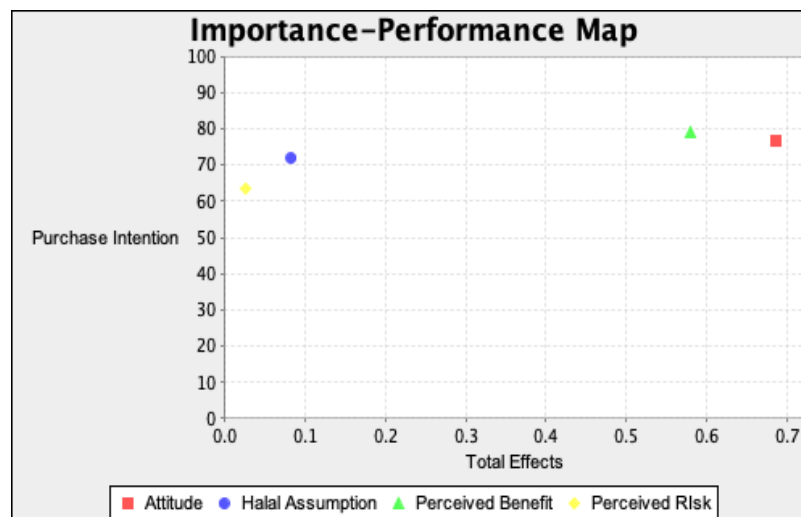


Figure 4. IPMA analysis

## DISCUSSION

The findings of this study provide several important theoretical and practical insights. First, the results confirm that halal assumption has a significant influence on consumer attitudes, which in turn affect purchase intention. This emphasizes the role of implicit beliefs or preconceptions in consumer decision-making within Muslim-majority contexts. Compared with the *Theory of Planned Behavior*<sup>(50)</sup>, which stresses the predictive role of attitudes toward intentions, the introduction of halal assumption adds a unique perspective by integrating cultural-religious capital into consumer behavior models. While traditional models often highlight information processing and risk evaluation, this study demonstrates that in the case of local street food, consumers tend to base their judgement on socio-cultural and religious norms that guide their perception of halalness. The results of this study are consistent with previous research such as Koc, et.al and Ibeabuchi, et al.<sup>(51,52)</sup>, who found that consumer purchase intention is influenced by socio-cultural factors and perceived benefits. However, this research extends those findings by demonstrating that halal assumption functions as a cultural heuristic that simplifies decision-making when certification cues are absent. These insights imply that policies on halal assurance may achieve greater effectiveness when they integrate social trust and community-based religious values, rather than relying solely on formal certification systems. This interpretation contributes to the refinement of halal consumer theory and offers practical direction for policymakers and small enterprises seeking to strengthen consumer trust through culturally grounded approaches.

Second, perceived benefits have been shown to have an influence on attitude, this reinforces the findings of previous studies.<sup>(20,50,51,52)</sup> Suggesting that consumers prioritize tangible advantages such as affordability, convenience, taste, and accessibility when deciding to purchase street food.<sup>(53,54)</sup> The strong predictive power of perceived benefit demonstrates that consumer decision-making in the street food context is driven by expected gains rather than potential losses. This underscores the importance of emphasizing consumer-perceived benefits as a key determinant of favorable attitudes and subsequent purchase intentions.

In contrast, perceived risk has not been shown to have an influence on either attitude or purchase intention. This shows that factors that are of negative value such as the cleanliness of the materials and equipment used, are not variables that influence the purchase decision of local street food. Consumers will consciously make allowances for this, considering that what they consume is inferior products. So that the risks in this context in the form of cleanliness of materials, cleanliness of equipment, and freshness are not variables that are able to determine the purchasing decisions of local street food consumers in Indonesia. This is also evident from the IPMA analysis, perceived risk is the variable that has the least impact on purchase intention. The results of this study are in line with the findings of Chen et al.<sup>(55)</sup>, who reported that perceived risk did not have a significant effect on purchase intention when consumer attitudes and perceived benefits played a stronger role. However, the results differ from other studies.<sup>(53,56,57,58)</sup>, which consistently found that perceived risk had a significant and negative impact on consumer attitudes and purchase intentions, particularly in contexts shaped by the COVID-19 pandemic and online purchasing environments.

The role of attitude as a mediator emerges as a central mechanism in translating halal assumptions and perceived benefits into purchase intentions. This is in line with previous findings,<sup>(59,60,61)</sup> who showed that attitude significantly affects consumers' intention to consume street food. However, this result does not fully match the findings of Zheng et.al where attitude played a weaker mediating role.<sup>(62)</sup>

From a practical standpoint, the findings carry significant implications. For policymakers, the evidence supports the adoption of halal self-declare as a cost-effective alternative for micro and small enterprises,

particularly street food vendors. Such a mechanism recognizes the strength of existing social capital while reducing regulatory burdens. For business actors, especially UMKM, the findings underscore the importance of emphasizing benefits such as affordability, accessibility, and cultural familiarity to cultivate positive consumer attitudes. For consumers, this study illustrates how trust grounded in cultural-religious assumptions continues to guide purchasing decisions even in the absence of formal certification. In comparison with previous studies, these results resonate with the findings of Abdul-Talib and Abd Rahman<sup>(18)</sup> and Othman et al.<sup>(63)</sup>, who emphasized that religiosity, trust, and perception play crucial roles in shaping halal purchasing behavior beyond the mere presence of formal certification. Their study, conducted in Malaysia, demonstrated that Muslim consumers' purchase intentions are largely influenced by their intrinsic belief in the purity and permissibility of products, supported by social and religious norms. Similarly, this research extends those findings by showing that in the informal sector—such as street food—halal assumptions function as a socio-religious heuristic, guiding consumer decisions even in the absence of certification labels. This highlights that effective halal assurance frameworks should not rely exclusively on regulatory enforcement but also recognize the role of community-based trust and cultural familiarity as complementary pillars of consumer confidence.

## CONCLUSION

Halal assumption is a new approach that is trying to be built in this study, to prove whether there is a preconception in the community, especially related to the halalness of local street food in Indonesia. Given that Indonesia is a Muslim majority, the socio-cultural factors that have been formed will affect certain behaviors of the community, which in this context is purchasing behavior. Local street food generally does not have a complicated production process chain, this also plays a role in the formation of people's beliefs to be able to detect halalness. This characteristic is certainly not found in manufactured processed products that have a complicated production process chain. Local street food generally also does not have a special space to produce the products they offer, so that consumers can see firsthand the production process carried out.

The steps taken by the government by implementing halal self-declare are considered appropriate, which in this context can give rise to social capital that already exists in the community in the form of halal assumptions. Halal assumption can be seen as a social capital, considering that to carry out the halal certification process requires relatively large costs, especially for small and medium enterprises. Halal self-declare does not mean a disregard for the halalness of a product, but can be used as an instrument of supervision and also education for small and medium enterprises. Small and medium enterprises can take advantage of existing social capital while still independently ensuring that their products are halal. Future research is expected to carry out further evidence of variable halal assumptions, through broader empirical research. This study only examines halal assumptions in the context of local street food, so there is still a large enough space to research on other themes such as restaurants or certain processed products.

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## CONFLICT OF INTEREST

The authors declare that there is no conflict of interest.

## AUTHORSHIP CONTRIBUTION

*Conceptualization:* Bambang Iswanto, Yudi Saputra, Fitria Rahmah, Nurul Fadhillah.

*Data curation:* Yudi Saputra, Bambang Iswanto.



*Formal analysis:* Yudi Saputra, Fitria Rahmah.

*Research:* Idhafiyyah Anwar.

*Methodology:* Nurul Fadhilah, Fitria Rahmah.

*Project management:* Bambang Iswanto.

*Resources:* Bambang Iswanto.

*Software:* Yudi Saputra, Fitria Rahmah.

*Supervision:* Bambang Iswanto.

*Validation:* Bambang Iswanto.

*Display:* Fitria Rahmah, Yudi Saputra.

*Drafting - original draft:* Idhafiyyah Anwar, Yudi Saputra, Bambang Iswanto.

*Writing - proofreading and editing:* Bambang Iswanto, Nurul Fadhilah, Fitria Rahmah.