

## The Influence of Halal Label, BPOM Label, and Price on the Purchase Decision of Madame Gie Products

Hana Malvalia Andiya<sup>1\*</sup>, Titik Kusmantini<sup>2</sup>

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### Abstract

The type of research that researchers conduct is quantitative research which aims to determine the effect of Halal Label, BPOM Label, and Price on Purchasing Decisions. The population used in this study were all customers of Madame Gie beauty products in Sleman, Yogyakarta. The sampling technique was carried out using purposive sampling so that a sample of 110 respondents was obtained. Data collection was carried out using multiple linear regression analysis with the help of the SPSS 25 program. The results of this study concluded that Halal Label has a positive and significant effect on purchasing decisions, BPOM Label has a positive and significant effect on purchasing decisions, and Halal Label, BPOM Label, and Price together have a positive and significant effect on purchasing decisions.

Keywords: BPOM Label, Halal Label, Price, Purchasing Decision

## 1. Introduction

Along with the times comes innovation and various types of beauty products offered to many people from various circles. Where beauty products have become a daily necessity for many people, especially women. However, it does not rule out the possibility that beauty products are also needed by men and children. In 2022 the POM Agency (BPOM) noted an increase of 20.6% in the number of beauty industry companies in Indonesia. Even this increase in the beauty industry is dominated by SMEs by 83% (Febrinastri, 2022). One of the beauty products on the market is a product from Madame Gie.

Based on data reported by Compass, in the period April - June 2022, local brands were recorded as having a fairly high total sales in 2 (two) of Indonesia's largest e-commerce, namely Shopee and Tokopedia. Madame Gie managed to rank 6th as a new local brand with high sales and managed to achieve a market share of 2.13% in the second quarter of 2022 on Shopee and Tokopedia (Ramadhani, 2022).

Today, consumers are very careful in making product purchasing decisions, especially in beauty products because it has become a daily necessity for most Indonesian women. This makes beauty producers pay more attention to the raw materials used in their products so that they meet consumer needs and can compete with other beauty product companies. In order for Indonesian beauty products to meet safety, usefulness, and quality requirements, the Indonesian Food and Drug Administration always strives to support the growth of the Indonesian beauty industry in its role as a regulator (Badan POM, 2017). So that the halal label, BPOM label, and price are things or factors that need to be considered before making a product purchase decision.

<sup>&</sup>lt;sup>1,2</sup> Management, UPN Veteran Yogyakarta

<sup>\*</sup> Corresponding author, e-mail: <u>cigunara2@gmail.com</u>

Currently, Muslim consumers have switched and have a high awareness of the importance of using halal beauty products. Indeed, Indonesia has great potential in developing the halal industry. Because based on data from the Directorate General of Population and Civil Registration (Dukcapil) of the Ministry of Home Affairs (Kemendagri), as of December 31, 2021, the Muslim population in Indonesia was 237.35 million people (86.9%) (Bayu, 2022). This data shows that the majority of the population in Indonesia is Muslim. This figure also includes Indonesia as the largest Muslim-majority country in the world.

In addition, the price set by the company will result in the purchase of a product because it must be in accordance with the quality and conditions of consumers. A low price is not a guarantee that the product will win the competition (Amalia, 2019), or vice versa. The price offered by Madame Gie beauty products is sold at an affordable price and in accordance with the quality and benefits of the product obtained by consumers. The pricing offered by a product will show the company's income level from the product. This is because price is an amount of value that consumers are willing to spend to get results according to reality.

LPPOM MUI said that there are still many Indonesians who do not understand BPOM regulations, they think that the presence of the BPOM logo on a product means that the product is halal, even though it is not. Based on an article from My Best Indonesia edited by Meirna in 2023, all Madame Gie products have received BPOM certification, and some Madame Gie products have received MUI halal certification. This means that there are several products from Madame Gie that have not received halal certification from LPPOM MUI. Therefore, high halal awareness is needed for Muslim women in determining purchasing decisions on beauty products.

In addition, currently the rise of beauty products that do not have BPOM or play cheating on the market. Like the news that spread on social media, that there were 3 Madame Gie products that were withdrawn by BPOM because there were harmful substances in them. Of course this is really troubling and makes people disappointed. With the BPOM label printed on the packaging, consumers will have more confidence in the contents and content contained in the product so that consumers will be more confident and easier to decide which products are good and not harmful to themselves.

Previous research on purchasing decisions has existed before. For example, Miswanto et al. (2022) examined three factors that influence purchasing decisions including lifestyle, halal labeling and price, and in their research there are three factors that simultaneously have a positive effect on purchasing decisions. With the object of research on Wardah products, Sari, F. M., Makhrian, A., and Buldani, K. (2022) state that the halal label and price have a not very significant or small effect on purchasing decisions. With the same variable, Ahidin, U., Juhaeri, Kasmad, and Nurfianti, N. (2019) found that the halal label and price have a positive and significant effect on purchasing decisions, but the halal label has a very weak influence and the price is quite strong. With different research, Fitriyanti (2018) & Pratama and Surwanto (2021) found that halal labeling and BPOM labels have a positive and significant effect on purchasing decisions. However, in Fitriyanti's research (2018) found that the BPOM label has a greater influence than halal labeling. Fitri (2020) examines the effect of electronic word of mouth, television advertising, BPOM labeling on purchasing decisions for Make Over makeup products. The findings that differ from previous research are that the BPOM label has no effect on purchasing decisions. Because the research findings are inconsistent, researchers need to conduct similar research with different objects and research variables. The object of this research is the decision to purchase Madame Gie products in Sleman Regency, Yogyakarta

Special Region (D.I) Province. So the newness in this research lies in the object, namely Madame Gie's beauty products and the new variables to be studied.

# 2. Theoretical Framework and Hypothesis

## 2.1. Theoretical framework

## 2.1.1. Halal Label

A label is part of a product that conveys information about the product and seller (Tjiptono, 2005). Thus, labeling is closely related to packaging. Labels can only include information or brands. The halal label on product packaging circulating in Indonesia is a logo composed of Arabic letters that form the word halal. Since March 2022 the body that issues halal certificates is BPJPH (Halal Product Guarantee Agency). This provision is contained in the Decree of the Head of BPJPH Number 40 of 2022 concerning Determination of Halal Label as the implementation of the mandate of Article 37 of Law Number 33 of 2014. Halal certificates are obtained after the issuance of a determine halal products is signed by MUI and submitted to BPJPH to become the basis for issuing halal certificates. Based on the Law on Halal Product Guarantee No. 33 of 2014 article 25 letter a, "business actors who have obtained a halal certificate". Thus the halal label is a label given to products that have met the halal criteria according to Islam.

### 2.1.2. BPOM Label

BPOM label is a label issued by BPOM which is authorized to audit the safety of products viewed from a health perspective (Pratama and Suwarto, 2021). In order for Indonesian beauty products to meet safety, usefulness, and quality requirements, the Indonesian Food and Drug Administration (BPOM) always strives to support the growth of the Indonesian beauty industry in its role as a regulator (Badan POM, 2017). Thus, the BPOM label is a label that informs consumers that a product that has been produced by a company has received a registration number or registration number because it has gone through various stages of selection and laboratory tests.

### 2.1.3. Price

Price is one of the most important elements in determining the market share and profit of a company. Price is a means of providing value to consumers and influencing product image, and consumer decisions to buy (Lupiyoadi, 2013). According to Kotler and Armstrong (2014), "price the amount of money charged for a product or service, or the sum of the value that customers exchange for the benefits or having or using the product or service". Price is the amount of money spent on a product or service, or the amount of value exchanged by consumers in order to obtain benefits or ownership or use of a product or service.

### 2.1.4. Purchasing Decision

In a decision there are two or more alternative courses of action. Decisions always require a choice between several different behaviors. As stated by Kotler and Armstrong (2014), "purchasing decisions are a decision process where consumers actually decide to buy one product among a variety of alternative choices". Purchasing decisions are the process of

consumers recognizing their problems, seeking information about certain products or brands, and evaluating how well each alternative solves their problems, which then leads to a purchase decision (Tjiptono, 2014).

## 2.2. Hypothesis Development

Based on the previous theoretical study, the following is a description of the hypothesis development in this study.

### 2.2.1. Halal Label Affects Purchasing Decisions

Halal label is a sign of the halalness of a product (Halal Product Guarantee Act, 2014). More clearly, the halal label is a label issued by LPPOM MUI, namely, a fatwa written by MUI which states the halalness of a product in accordance with Islamic law. The purpose of giving this label is so that consumers get security from halalness and comfort for the use of these goods or services (Yuswohady, 2015). The halal label provides halal assurance as determined by the authorized institution (Miswanto et al., 2022). Research by Juhaeri et al. (2019) and Miswanto et al. (2022) state that the halal label has a positive and significant influence on purchasing decisions. The results of this study are the same as the results of Pratama and Suwarto's (2021) and Fitrianti's (2018) research that halal label makes it easier for consumers to consider and identify products, so that the halal label can convince consumers to decide to buy products.

H1: Halal label has a positive and significant effect on purchasing decisions.

### 2.2.2. BPOM Label Affects Purchasing Decisions

The BPOM label is the inclusion of an information label from the POM Institution regarding the distribution license of a product that has met the distribution feasibility. Meanwhile, according to Pratama and Suwarto (2021) the BPOM label is a label issued by the POM Agency which has the authority to audit product safety from a health perspective. Currently, consumers are very careful in choosing beauty products, especially by ensuring whether or not the BPOM label is listed on the product. With the BPOM label printed on the packaging, customers will have more confidence in the contents and content contained in the product because it guarantees the quality and quality of the product so that it will solidify consumer decisions in making purchasing decisions. Research conducted by Fitriyanti (2018) found that there is a significant influence between the BPOM label on purchasing decisions. This research is supported by research conducted by Pratama and Suwarto (2021) in their research which shows that the BPOM label has a positive and significant effect on purchasing decisions. In addition, according to him, the better the BPOM label will increase purchasing decisions. Based on BPOM Regulation Number 3 of 2022 concerning Technical Requirements for Cosmetics Claims regarding cosmetics marking, the BPOM label has four indicators, namely; images, writing, a combination of images and writing, and attached to the packaging.

H2: BPOM label has a positive and significant effect on purchasing decisions.

### 2.2.3. Price Affects Purchasing Decisions

According to Kotler and Armstrong (2010) price is the money or value charged for a product or service for the consumer exchange rate for benefits which is an important factor influencing buyer choice. In addition, according to Kotler and Armstrong (2001) a price can influence the behavior of consumer decisions to make purchases. If the price is higher, the lower the purchasing decision, on the other hand, if the price is low, the purchasing decision changes higher. The results of the study Miswanto et al. (2022) and Juhaeri et al. (2019) state that price has a positive and significant effect on purchasing decisions. These results are supported by research conducted by Sari et al. (2022) that price has a simultaneous effect on purchasing decisions. In addition, according to Artantri Nugraheni et al. (2021) the price will provide an explanation or information to consumers regarding the quality of the product and the brand by the product. If the price of the product on the market is quite high, this means that the quality of the product is quite good, the product brand is quite good and convincing. Conversely, if the price of the product on the market is low, it can be said that the quality of the product is not good enough, the product brand is not good enough, and it is less convincing to consumers. So, price can be a benchmark regarding the quality and brand of a product.

H3: Price has a positive and significant effect on purchasing decisions.

The description of the hypothesis development above can be simplified in a research model as shown in Figure 1.

# 3. Methodology

## 3.1. Research Data Types, Sources, and Sampling

This study uses a quantitative and causal approach. In this study, researchers wanted to test and analyze the effect of halal labels, BPOM labels, and prices on purchasing decisions. The data used in this study are primary data. The data collection method of this study uses a questionnaire that will be distributed directly and can be filled in via offline with a paper questionnaire or online (electronic) with Google Form media to customers of Madame Gie beauty products. The population in this study were all customers of Madame Gie beauty products in Sleman, Yogyakarta. The sampling technique in this study is nonprobability (nonprobalility sampling) with a sampling method, namely purposive sampling. The criteria for respondents in sampling in this study are customers who have purchased Madame Gie beauty products at least once (1x) within the last 6 months. The number of samples to be taken in this study were 110 respondents. The data taken was then processed using the help of the SPSS 25 application.

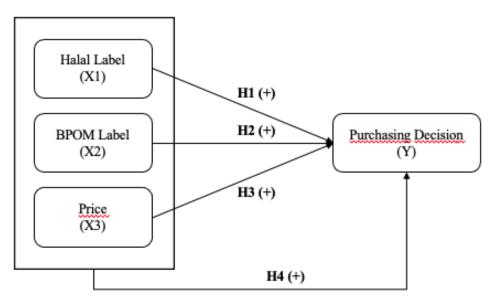


Figure 1. Research Design

Measurement of variable values in this study uses a Likert Scale. Score 1 for the strongly disagree scale and this score is a very low value score. Score 2 for the disagree scale. Score 3 for the moderate scale. Score 4 for the agree scale. Score 5 for the strongly agree scale, and this score is the highest. The types of variables used are independent and dependent variables. The independent variables are the Halal Label(X1), the BPOM Label (X2), and the Price (X3). Then, the dependent variable is the Purchase Decision (Y).

### 3.2. Measurement and Definition of Research Variable Operationalization

In order to make it easier to see the research variables to be used, the authors describe them in the form of variable operationalization, which can be seen in the following table:

The indicators on each variable above are the basis for making statement instruments written on questionnaires to measure variables. The statement instruments used to measure the halal label variable are: 1) I know that Madame Gie's beauty products have a halal label, 2) with the halal label, I am sure and believe that the raw materials used in Madame Gie's beauty products are in accordance with halal standards. 3) the halal label owned by madame gie beauty products is official from MUI. The statement instruments used to measure the BPOM label variable are: 1) I always pay attention to whether or not the BPOM label is on the Madame Gie beauty products, 3) I believe the BPOM label is my consideration in buying Madame Gie beauty products, 3) I believe the BPOM label listed on the Madame Gie beauty product packaging already has a distribution permit from the Indonesian POM Agency, 4) the BPOM label attached to the product packaging makes me confident in buying Madame Gie beauty products because of guaranteed quality and safety. The statement instruments used to measure the price variable are: 1) I buy Madame Gie beauty products because the price is affordable, 2) in my opinion the price of Madame Gie beauty products is in accordance with

Variables/ Concepts		Indicators	Scale
Halal Label (Rosdiana dan	-	Knowledge	1-5
Wahdiniwaty, 2019)	-	Trust	
-	-	Assessment of halal labeling	
BPOM Label (Aulia dan	-	Picture	1-5
Aswad, 2022)	-	Text	
	-	Combination of pictures and text	
	-	Sticking to the packaging	
Price (Miswanto et al., 2022)	-	Price affordability	1-5
	-	Price compatibility with product	
		quality	
	-	Price compatibility with benefits	
	-	Price according to ability or price	
		competitiveness	
Purchasing Decision	-	Steadiness in a product	1-5
(Miswanto et al., 2022)	-	Habit of buying a product	
	-	Giving recommendations to others	
	-	Making repeat purchases	
2	0		

Source: Summary of the theory, 2023

the quality of the product obtained, 3) in my opinion the price of Madame Gie beauty products is in accordance with the benefits of the product obtained, 4) the price of Madame Gie beauty products can compete with other products. The statement instruments used to measure purchasing decision variables are: 1) I buy Madame Gie beauty products because they can meet my needs, 2) I always look for information before deciding to buy Madame Gie beauty products, 3) I will recommend Madame Gie beauty products to other parties, 4) I always buy Madame Gie beauty products regularly.

## 3.3. Descriptive Statistic Analysis and Instrument Test

This analysis uses descriptive statistical analysis, which is a statistic used to analyze data by describing or describing the data that has been collected as it is without intending to make general conclusions or generalizations (Sugiyono, 2017). Primary data in this study is obtained through research instruments and these instruments need to be tested. The instrument test aims to test and ensure the quality of the measuring instrument used in the study. There are two instrument tests, namely validity and reliability tests. In this study, the validity test used the help of SPSS 25 with the Product Moment correlation method from Pearson. According to Sugiyono (2016) a question is said to be valid if the significance level is below 0.05, and the correlation will be said to be positive and strong if the magnitude is  $\geq$ 0.05. Furthermore, the research questionnaire is declared reliable if the respondent's answers to the questions asked are consistent or stable over time. To determine the level of reliability of each instrument in this study using Cronbach's Alpha. The variable is said to be good if it has a Cronbach's Alpha value> from 0.7 (Ghozali, 2018).

## 3.4. Multiple Linear Regression Analysis

This research is a study that analyzes the influence between variables and uses more than two variables so this study uses multiple linear regression analysis methods. The regression model in this study is as follows:

$$Y=\beta 0+\beta_1 X_1+\beta_2 X_2+\beta_3 X_3+e$$

In which, Y = Purchase Decision,  $\beta 0$  = Constant,  $\beta 1$  = Coefficient for Halal Label variable,  $\beta 2$  = Coefficient for BPOM Label variable,  $\beta 3$  = Coefficient for Price variable, X1 = Halal Label, X2 = BPOM Label, X3 = Price, and e = Error.

## 3.5. Hypothesis Testing

Hypothesis testing uses the t test. According to Ghozali (2018) the t test is used to determine the effect of each independent variable in explaining the dependent variable. In this study, the test used a significance level of 0.05 (a = 5%). If the significance value of the t test <0.05, it is concluded that individually the independent variable has a significant effect on the dependent variable.

# 3.6. Simultaneous Test (F Test) and Coefficient of Determination $(\mathbb{R}^2)$

The F test is used to see whether the independent variables together affect the dependent variable (Ghozali, 2018). Through the ANOVA table, the regression model can be seen from the amount of the calculated F value and is declared feasible if the probability value (sig) is smaller than 0.05. The Coefficient of Determination ( $R^2$ ) is used to measure how far the ability of a model to explain variations in the dependent variable. The coefficient of determination is between zero and one. If the  $R^2$  value is small, it means that the ability of the independent

variables to explain the dependent variable is very limited. If the R<sup>2</sup>value is close to one, it means that the independent variables can explain almost all the information needed to predict the variation in the dependent variable.

## 4. Result and Analysis

### 4.1. Respondent Data and Descriptive Analysis

Primary data obtained by researchers was analyzed to determine the characteristics of respondents in this study which included gender, age, region of residence, occupation, income per month and frequency of purchase of Madame Gie products in the last 6 months. Can be shown in table 2:

Characteristic	Sum	Percent	
Gender			
- Woman	109	99,10	
- Man	1	0,90	
Age			
- <17 years old	8	2,70	
- 17-20 years old	10	9,10	
- 21-25 years old	85	77,30	
- 26-30 years old	9	8,20	
- > 30 years old	3	2,70	
Region of Residence			
- Sleman	71	64,50	
- Yogyakarta	22	20,00	
- Bantul	16	14,5	
- Gunung Kidul	1	0,90	
Job			
- Student/ College Student	83	75,50	
- Private Employee	9	8,20	
- Housewife	6	5,50	
- Civil Servant	4	3,60	
- Entrepreneur	6	5,50	
- Others	2	1,80	
Income Monthly			
- < Rp 1.000.000	33	30,00	
- Rp 1.000.000 – Rp 2.000.000	34	30,90	
- Rp 2.000.000 – Rp 3.000.000	31	28,20	
- > Rp 3.000.000	12	10,90	
Frequency of Product Purchase (Last 6 N	lonths)		
- 1 time	52	47,30	
- 2 times	38	34,50	
- 3 times	13	11,80	
- > 3 times	7	6,40	

Table 2. Respondent Data

Source: Processed questionnaire result data, 2023

Table 2 shows the respondent data, namely Madame Gie product customers who became the research sample of 110 people. Most of the respondents are female, aged between 21 and 25 years old, living in Sleman district, have a job as a Student / College Student, have an income between 1 million and 2 million in a month, and have purchased Madame Gie beauty products 1 time in the last 6 months.

Descriptive analysis of halal label variables, BPOM labels, prices, and purchasing decisions on respondents is presented in Table 3. Based on Table 3, descriptive analysis with 110 respondents are as follows:

- ☑ The Halal Label variable (X1) has a minimum value of 1.00 and a maximum value of 5.00 with an average value of 4.3000 then for a standard deviation of 0.75965. So, the general conclusion is that respondents answered the statement of the halal label variable with a strongly agree option.
- ☑ The BPOM Label variable (X2) has a minimum value of 1.00 and a maximum value of 5.00 with an average value of 4.31365 then for a standard deviation of 0.814625. So, the general conclusion is that respondents answered the statement of the BPOM label variable with a strongly agree option.
- ☑ The Price variable (X3) has a minimum value of 1.00 and a maximum value of 5.00 with an average value of 4.25225 then for a standard deviation of 0.774045. So, the general conclusion is that respondents answered the statement of the price variable with a strongly agree option.
- ☑ The Purchase Decision Variable (Y) has a minimum value of 1.00 and a maximum value of 5.00 with an average value of 3.86365 then for a standard deviation of 0.9888675. So, the general conclusion is that respondents answered the statement of the purchasing decision variable with the choice of agree.

## 4.2. Instrument Test

The results of the instrument test used for validity and reliability testing are presented in table 4. According to Sugiyono (2016) a question is said to be valid if the significance level is <0.05 and the correlation will be said to be positive and strong if the level is  $\geq0.05$ . Based on the table 4, all indicators on each variable are valid because the significance level is below 0.05. Also positive and strong because the correlation coefficient is greater than 0.05.

In addition, variables are said to be good if they have a Cronbach's Alpha value > from 0.7 (Ghozali, 2018). Based on the data, all variables have also been reliable because the alpha coefficient is more than 0.7.

	1 5					
	Ν	Min.	Maks.	Rata-Rata	Standar Deviasi	
Label Halal	110	1,00	5,00	4,3000	0,75965	
Label BPOM	110	1,00	5,00	4,31365	0,814625	
Harga	110	1,00	5,00	4,25225	0,774045	
Keputusan Pembelian	110	1,00	5,00	3,86365	0,9888675	
Valid N (listwise)	110					

Table 3. Descriptive	Analysis
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Source: Processed questionnaire result data, 2023

	Table 4. Instrument Test						
	Variables/Indicators	Sign R Hitung	Cronbach's Alpha	Conclusion			
Ha	ılal Label		0,784	Reliable			
-	Knowledge	0.000		Valid			
-	Trust	0.000		Valid			
-	Assessment of halal labeling	0.000		Valid			
BPOM Label			0,905	Reliable			
-	Picture	0.000		Valid			
-	Text	0.000		Valid			
-	Combination of pictures and text	0.000		Valid			
-	Sticking to the packaging	0.000		Valid			
Pri	ce		0,903	Reliable			
-	Price affordability	0,000		Valid			
-	Price compatibility with product quality	0,000		Valid			
-	Price compatibility with benefits	0,000					
-	Price according to ability or price	0,000		Valid			
	competitiveness			Valid			
Pu	rchase Decision		0,765	Reliable			
-	Steadiness in a product	0,000		Valid			
-	Habit of buying a product	0,000		Valid			
-	Giving recommendations to others	0,000		Valid			
_	Making repeat purchases	0,000		Valid			

Table 4. Instrument Test

Source: Processing Results, 2023.

#### Table 5. Multiple Linear Regression Analysis Results and Hypothesis Testing

	Unstand Coeffi	lardized cients		Standardized Coefficients		
			Std.			
Model		В	Error	Beta	t	Sig.
1	(Constant)	-4,041	1,706		-2,236	0,020
	X1	0,267	0,117	0,164	2,290	0,024
	X2	0,435	0,084	0,385	5,184	0,000
	X3	0,502	0,090	0,404	5,588	0,000

a. Dependent Variable: purchasing decision (Y)

Source: Processed research data, 2023

## 4.3. Multiple Linear Regression Analysis and Hypothesis Testing

In summary, the results of multiple regression analysis and hypothesis testing are presented in Table 5.

Based on Table 5, it can be seen that the constant value and the regression coefficient of the independent variables are in column B (Unstandardized Coefficients). Then the multiple regression equation can be formulated as follows:

#### Y = -4,041 + 0,267 X1 + 0,435 X2 + 0,502 X3

Based on the multiple regression equation shows that:

- The constant value (β0) of -4.041, means that if all X variables are not worth or zero then Y is worth 4.041.
- The coefficient (β1) of the halal label variable (X1) has a value of 0.267 (positive), meaning that if the halal label increases by 1%, the purchasing decision will also increase by 0.267%. The positive coefficient indicates that the halal label has a positive effect on purchasing decisions.
- The coefficient (β2) of the BPOM label variable (X2) has a value of 0.435 (positive), meaning that if the BPOM label increases by 1%, the purchasing decision will also increase by 0.435%. The positive coefficient indicates that the BPOM label has a positive effect on purchasing decisions.
- The coefficient (β3) of the price variable (X3) has a value of 0.502 (positive), meaning that if the BPOM label increases by 1%, the purchasing decision will also increase by 0.502%. The positive coefficient indicates that price has a positive effect on purchasing decisions.

The results of hypothesis testing using the t test or partial test are briefly presented in Table 5. According to Ghozali (2018) the t test is used to determine the effect of each independent variable in explaining the dependent variable. In this study, the test used a significance level of 0.05 (a = 5%). If the significance value of the t test <0.05, it is concluded that individually (partially) the independent variable has a significant effect on the dependent variable.

Based on the data in Table 5, the results of statistical hypothesis testing are as follows:

### Halal Label Has a Positive and Significant Effect on Purchasing Decisions

The test results of the influence of the halal label on purchasing decisions obtained a regression coefficient value of 0.267 (Positive) and a Sig. t value of 0.024 <0.05, so H1 is accepted. This means that partially the halal label variable has a positive and significant effect on purchasing decisions. Based on this test, **the first hypothesis is accepted**.

### **BPOM Label has a Positive and Significant Effect on Purchasing Decisions**

The test results of the effect of product quality on purchasing decisions obtained a regression coefficient value of 0.435 (Positive) and a Sig. t value of  $0.000 \le 0.05$ , so H2 is accepted. This means that partially the BPOM label variable has a positive and significant effect on purchasing decisions. Based on this test, **the second hypothesis is accepted**.

### Price Has a Positive and Significant Effect on Purchasing Decisions

The test results of the effect of price on purchasing decisions obtained a regression coefficient value of 0.502 (Positive) and a Sig. t value of 0.000.  $\leq$  0.05 H3 is accepted. This means that partially the price variable has a positive and significant effect on purchasing decisions. Based on this test, **the third hypothesis is accepted**.

Description	Simultaneo	ous Test (F)	Coefficient of Determination $(R^2)$		
Description -	F	Sign.	R Square	Adjusted R Square	
Statistic Value	0,757 <sup>a</sup>	0,573	0,561	2,02919	

Table 6. Statistical Results of F Test and Coefficient of Determination

Source: Processed research data, 2023

## 4.4. Simultaneous Test Analysis (F Test) and Coefficient of Determination $(\mathbb{R}^2)$

Table 6 shows the results of the F test and the coefficient of determination.

The results of the F test based on Table 6 above, it can be seen that the significance value obtained is 0.000 or 0.00. This shows that the significance value is 0.00 < 0.05, so the fourth hypothesis is accepted. This means that the independent variables consisting of halal labeling (X1), BPOM labeling (X2), and price (X3) together have a significant effect on the dependent variable purchasing decisions (Y).

Then based on the table above, the Adjusted R Square result is 0.561 or 56.1%. This means that the results of the decision to purchase Madame Gie beauty products in Sleman Regency, DIY are influenced by the halal label, BPOM label, and price variables by 56.1%. The remaining value of 43.9% shows the influence of other variables outside the model on purchasing decisions.

## 5. Discussion

This study aims to determine how the influence of the halal label, BPOM label, and price on purchasing decisions.

## 5.1. The Effect of Halal Label (X1) on Purchasing Decisions (Y)

The study found that the halal label has a positive effect on purchasing decisions with a coefficient value of 0.267. The better the halal label will encourage an increase in product purchases. In other words, the presence of a halal label will encourage customers to be more confident in deciding to purchase products.

This research is in line with previous findings (Miswanto et al., 2022) and (Juhaeri et al., 2019) although in different contexts. This research is also supported by the findings of other researchers (Pratama and Suwarto, 2021) and (Fitrianti, 2018) that halal labeling has a positive and significant effect on purchasing decisions. This has consequences for business people that it is necessary to include a halal label on the packaging of their products so that consumers are more confident and interested in deciding to buy these products. Thus, sales will increase.

This is because the halal label is a sign of the halalness of a product (Halal Product Guarantee Act, 2014). For Muslim customers, the existence of a halal label makes customers feel safe because the product is guaranteed not to contain haram or non-halal ingredients during its production. Because Islamic law requires adherents to use or consume halal goods/products, including beauty products.

## 5.2. The Effect of BPOM Label (X2) on Purchasing Decisions (Y)

The study found that the BPOM label has a positive effect on purchasing decisions with a coefficient value of 0.435. The better the BPOM label will encourage an increase in product purchases. In other words, the presence of the BPOM label will encourage customers to be more confident in deciding to purchase the product.

This research is in line with previous findings (Pratama and Suwarto, 2021). In addition, based on the findings that the better the BPOM label, it will increase purchasing decisions. This research is supported by the results of research (Fitriyanti, 2018) which found that there is a significant influence between the BPOM label on purchasing decisions. This has consequences for business people that it is important to include the BPOM label on the

packaging of their products so that consumers feel safe and confident in purchasing products. This, too, will result in increased product sales.

The BPOM label is the inclusion of an information label from the POM Institution related to the distribution permit of a product that has met the distribution feasibility. So, it is important for business people to always maintain product quality so that the BPOM does not withdraw the product distribution license.

## 5.3. The Effect of Price (X3) on Purchasing Decisions (Y)

The study found that price has a positive effect on purchasing decisions with a coefficient value of 0.502. The better the price will encourage an increase in product purchases. In other words, the good price offered will encourage customers to be more confident in deciding to buy the product.

This research is in line with previous findings in the same context (Fenti et al., 2022) and (Sari et al., 2022). These results are supported by other studies in a different context (Miswanto el al., 2022) and (Juhaeri et al., 2019) relating to price to purchasing decisions which state that price has a positive and significant effect on purchasing decisions. This has consequences for business people that it is important to be wise in determining the selling price of products. Because price is the amount of value that consumers exchange for a number of benefits by owning or using a product or service.

In addition, according to Kotler and Armstrong (2001) prices affect consumer decisions in making purchases, the higher the price, the lower the purchasing decision, on the other hand, if the price is low, the purchasing decision changes higher. Customers will be stable in making purchasing decisions if the price offered by the product is in accordance with the benefits and quality received.

# 6. Conclusion and Implication

## 6.1. Conclusion

Based on the explanation above, the conclusion drawn is that all independent variables consisting of the halal label, BPOM label, and price have a positive and significant effect on the dependent variable purchasing decisions. Halal label has a positive and significant effect on purchasing decisions. BPOM label has a positive and significant effect on purchasing decisions. Price has a positive and significant effect on purchasing decisions. Halal Label, BPOM Label, and Price together have a positive and significant effect on purchasing decisions.

### 6.2. Implication

The theoretical implication of this study is that the findings that have been obtained from this study are expected to be able to provide a view that halal labels, BPOM labels, and prices can influence purchasing decisions for Madame Gie beauty products in Sleman Regency, Yogyakarta. The practical or managerial implication of this study is that the results of this study are expected to provide input or reference for the progress and quality of Madame Gie beauty products. Especially on matters that are currently very crucial in the beauty industry, namely the BPOM label. It is hoped that Madame Gie can always pay attention and maintain the quality and quality of Madame Gie's beauty products. It's good to routinely check the production section so that product quality is maintained. So, there is no more bad news related to the BPOM label circulating in the public.

Then for further researchers, it is hoped that they can find other variables that can influence purchasing decisions outside of the halal label, BPOM label, and price in order to obtain varied research results. Based on the coefficient of determination, there is an influence of other variables that are not examined on purchasing decisions of 43.9%.

In addition, this research model can be tested for different objects, settings, number of samples and analytical tools to allow for differences in test and analysis results so that it can become gap research for future researchers.

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