

PREDICTORS OF PURCHASE DECISION ON HALAL LIPSTICK PRODUCT IN BANDUNG

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Abstract

The halal cosmetics industry presents potential trends and contributes significantly to the economy. Wardah, an Indonesian halal cosmetic brand, was the first to obtain halal certification. While lipstick remains a popular product, the sales index of Wardah lipstick has experienced a decline. This study focuses on how brand image, product quality, and word-of-mouth (WOM) influence purchase decisions. The method employed is descriptive verification, utilizing multiple linear regression analysis processed with SPSS 26. The unit of analysis is individuals, specifically working women, with several hundred respondents. The results indicate that both brand image and product quality have a significant impact on purchase decisions, while WOM does not significantly influence these decisions. Increased purchase decisions are essential for a business to grow and maintain sustainability.

Keywords: *brand image; product quality; word of mouth; purchase decision*

INTRODUCTION

Indonesia was ranked 4th in 2020 as the largest halal industrial market in the world and the top global supplier of halal products to countries within the Organization of Islamic Cooperation (OIC). This promising potential for the halal industry is largely due to Indonesia's predominantly Muslim population. However, it's unfortunate that, despite the majority of the population being Muslim, the contribution of Muslims to the global halal market remains relatively small (Amalia & Hidayah, 2020). Based on the Indonesia Halal Markets Report, in 2021, the halal cosmetics sector in Indonesia is expected to rank among the bottom two or as one of the smallest consumers (Indonesia Halal Lifestyle Center et al., 2021). Despite not yet being the largest producer in the industry, halal products in Indonesia continue to experience significant growth, particularly in the halal cosmetics sector (Kurniawati & Savitri, 2020). This industry holds substantial potential for development due to the high level of public interest in cosmetics, which extends not only to women but also to a growing number of men who use various types of cosmetic products (Kasri et al., 2023; Sechan et al., 2023).

Cosmetics are products with unique characteristics, as they can fulfill one of the primary needs of women and serve as a means for some consumers to assert their social identity in the eyes of society (Khalid et al., 2021). As time has progressed, cosmetics have become a primary necessity for many women (Khan et al., 2021). Several brands have risen to the top in the cosmetic industry in Indonesia. This study specifically focuses on lipstick products because they have become of the essential beauty needs for women. The Top Brand Index data from 2019 to 2023 for the lipstick category is showed in Figure 1.

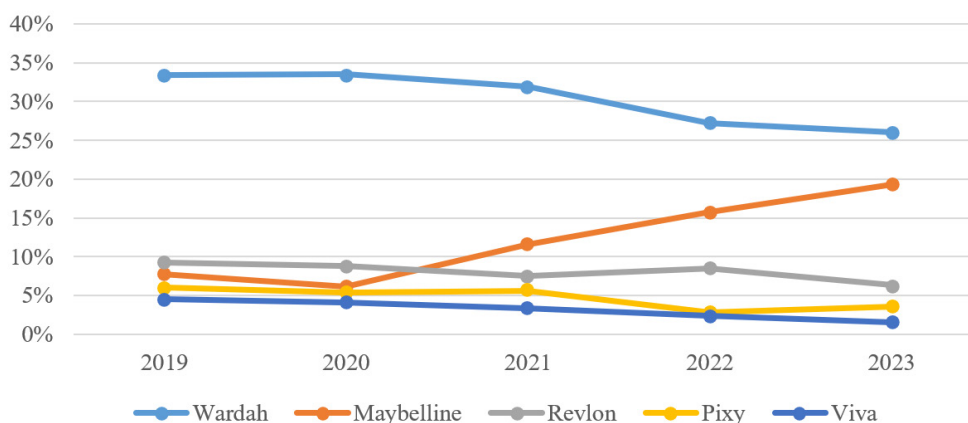


Figure 1. Top Brand Index of Lipstick Sub-Category in Indonesia

Source: www.topbrand-award.com

Based on Top Brand Award (2023), Figure 1 illustrates that lipstick products with the Wardah brand are ranked first in Indonesia's Top Brand Index. Additionally, there are several other cosmetic brands such as Maybelline, Revlon, Pixy, and Viva. The phenomenon observed with Wardah lipstick products is that this top brand attains the highest brand index, but its demand does not experience significant annual growth. Wardah lipstick products only saw an increase from 2019 to 2020, which amounted to 33.50%. Wardah lipstick products only increased from 2021 to 2023, with declines of 31.90%, 27.20%, and 26.00%, respectively. In contrast to other lipstick brands that have experienced annual increases.

This study has selected Wardah cosmetics, specifically in the sub-category of lipstick, as the research subject because it is considered one of the essential beauty needs for women. Wardah is one of the original Indonesian cosmetic brands that caters to Muslim women consumers and all women who want to use cosmetics. The products produced by Wardah are inherently safe, free from harmful ingredients, and carry Halal certification. The growth of Halal cosmetics industry is increasingly prominent in both Indonesia and internationally. Moreover, currently, cosmetics labeled as Halal are becoming more widely available with a wide range of brand choices (Muryati & Zebua, 2021).

Consumer purchasing decisions arise from their attitudes toward an object or product and their belief in product quality. The lower the consumer's beliefs, the lower their interest in purchasing the product (Kotler & Armstrong, 2018). One of the ways to introduce Wardah cosmetics is through branding. Brand image is one of the predictors that can impact consumers' purchase decisions (Majeed, 2022). Brand image consists of a set of beliefs, ideas, impressions, and perceptions that individuals, communities, or societies have about a brand. Consumers consider brand image important because it reflects a product (Martadina & Anwar, 2023). The level of purchasing decisions increases with a strong brand image. Research conducted by Arifin et al. (2022), Asnawati et al. (2022), Fatmawati and Alikhwan (2021), Salere et al. (2019) found that brand image effects on purchase decisions. However, Iskuntianti et al. (2020), Nazwah Irawan and Saputra (2023) states that brand image does not influence on purchasing decisions.

In addition, product quality also plays a crucial role in purchasing decisions (Maharani et al., 2023). Product quality represents the characteristics and overall attributes of a product or service that influence its ability to meet specific needs (Pramesty et al., 2023; Priadi et al., 2023). The better the quality of a product or service, the higher the likelihood of consumers buying it (Wilistyorini & Sussanto, 2022). Sellers of cosmetic products market their products by highlighting the quality of the product brand (Arifin et al., 2022). In contrast, (Hasanah et al. (2021), and Kirana (2022) assert that product quality does not impact purchase decisions.

WOM is also of significant importance to consumers when considering the purchase of a product (Kohler et al., 2023). Word of mouth is a marketing strategy in which consumers take control and participate as promoters to influence and expedite marketing messages in creating products or experiences to share with their closest contacts (Ishii & Kikumori, 2022; Tamtomo et al., 2022). Research conducted by Khanafi (2021), Meltareza and Redyanti (2022), Pujiastuti et al. (2022) that WOM does not have an impact on purchase decisions. However, research carried out by Marahastuti and Rizky (2023), Arisinta and Ulum (2023) asserts that word of mouth significantly influences purchasing decisions.

Furthermore, considering the relationships between the variables, research four hypotheses formulated. After discussing the hypotheses, the conceptual framework is illustrated in Figure 2. Given the research problem, background, and inconsistent findings in previous studies, further investigation is warranted to gain a deeper understanding of the factors influencing purchasing decisions. Therefore, this study aims to examine the impact of brand image, product quality, and word of mouth on purchase decision.

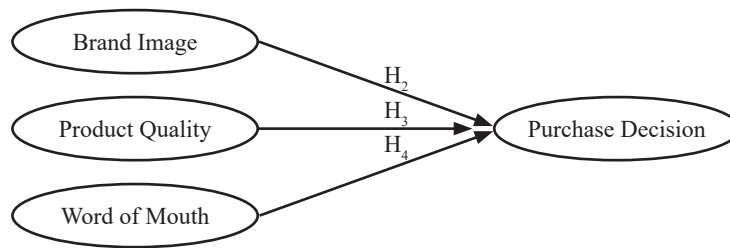


Figure 2. Conceptual Framework

METHODS

This study employed a descriptive quantitative method approach to identify and determine the factors that influence purchasing decisions for halal lipstick products in the city of Bandung. The population in this study were career women or working women who had previously purchased and used Wardah lipstick products in Bandung City. The respondent selection is made to align with the majority of the cosmetic industry's target market. The sampling utilized a non-probability sampling method, employing a purposive sampling approach based on specific criteria aligned with the research objectives (Sugiyono, 2020). The criteria for respondents in this study included being career women or working women, having used or currently using Wardah lipstick, and residing in the city of Bandung.

Due to uncertainty about the exact population size, the Lemeshow formula is employed to calculate the sample size. The calculation results indicated a sample size of 97 respondents. To gather factual data more effectively and efficiently, an online questionnaire was distributed using Google Forms. The questionnaire employed a Likert scale as a measurement reference, offering five alternative response choices. Data was collected through a 5-point Likert Scale. The questionnaire encompassed five distinct sections: 1) gathering demographic information; 2) purchase decisions; 3) brand image; 4) product quality; and 5) WOM. Additionally, the research was complemented by secondary data from relevant academic literature. For data analysis, multiple linear regression analysis was used and processed using SPSS version 26. To ensure data quality, validity, and reliability tests were conducted. The research also adhered to the classic assumption tests, including the assessment of normality, multicollinearity, and heteroscedasticity. Subsequently, multiple linear regression analysis was employed to determine the magnitude of the effects under consideration.

RESULTS

The study was conducted in Bandung city because it possesses characteristics of an industrial, educational, and fashion city. Wardah is a brand from PT Paragon Technology as one of the pioneers of halal beauty products in Indonesia. This research aims to find out how brand image, product quality, and word-of-mouth influence the decision to purchase halal lipstick products. Data processing used used the application of SPSS 26. Data collection was carried out using an online questionnaire distributed to working women who had purchased and used Wardah lipstick as many as 97 respondents in Bandung city. The behavior of individuals reflects their personal experiences and responsibilities, which can be observed through their age.

Based on the age distribution of respondents, the results obtained were that of the total of 97 respondents as many as 46% of the total were aged 26-35 years. This age group has a higher level of awareness regarding the importance of halal products. Additionally, people in their late 20s and 30s are usually more involved in their careers and social lives. The use of cosmetics, including halal lipstick, can be driven by the need to maintain a professional appearance and social relationships (Osman et al., 2022).

Validity test results were assessed using the significant value of Pearson correlation as the calculated r-value. The instrument testing criteria included a significance level of 5%. Data processing results indicate that all indicators in the questionnaire are considered valid and can be used for further testing.

The reliability test results produce a Cronbach's Alpha value greater than 0.60. It can be inferred that all instruments in this study are dependable (Table 3).

Table 3. Result of R Square Test

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.862 ^a	.743	.733	1.11176

Source: Data Processed

Table 3 presented the findings of the determination coefficient examination (Adjusted R Square) of 0.733, indicating that brand image, product quality, and WOM collectively contribute 73.3% to buying choices.

Table 4. Result of F-test

ANOVA					
Model	Sum of Squares	df	Mean Square	F	Sig.
Resression	175.205	2	87.603	70.876	.000
Residual	60,564	49	1.236		
Total	235,769	51			

Source: Data Processed

Table 4 showed that brand image, product quality, and WOM significantly affect purchase decisions, or a regression model can be employed for foretelling purchase determinations.

Table 5. Result of t-test

Coefficients					
Model	Unstandarized Coefficients		Standarized Coefficients	t	Sig
	B	Std. Error	Beta		
(Constant)	2.657	0.875		2.275	.001
Brand Image	.582	.059	.746	9.856	.000
Product Quality	.113	.032	.267	3.534	.001
Word of Mouth	.104	.088	.072	1.192	.238

Source: Data Processed

Based on Table 5, the results of the t-test analysis showed that brand image and product quality have positive and significant effect to purchase decisions but not for word of mouth.

DISCUSSIONS

The determination coefficient suggesting that brand image, product quality, and WOM collectively impact purchase decisions by 73.3%. Brand image significantly and positively impact on purchase decisions. Factors such as user image, professional impression, modern impression, and popularity within the brand image context affect buying choices. A favorable image of Wardah lipstick as a halal product has a beneficial influence on purchase decisions. This aligns with the study carried out by Arifin et al. (2022), Asnawati et al. (2022), Ayu et al. (2020), Bhutto et al. (2022) that brand image affects purchasing decisions.

Products quality has a favorable and noteworthy impact on purchase decisions (Harlofida et al., 2020). The assessment of product quality, which includes factors like performance, features, reliability, conformance to specifications, durability, serviceability, aesthetics, and perceived quality, leads to a reasonably high level of satisfaction with the products offered. Consumers consider product quality as one of the paramount factors when making purchase decisions (Helall, 2020). It ensures that consumers decide to purchase and continue to find the product of high quality. Related by Arifin et al. (2022), Wilistyorini and Sussanto (2022) who state that the more consumers like Wardah lipstick products, the higher the likelihood of consumers making a purchase decision.

Word-of-mouth does not influence the purchase decisions of Wardah lipstick products, thus leading to the rejection of the fourth hypothesis. These findings are consistent with research conducted by (Khanafi, 2021; Meltareza & Redyanti, 2022; Pujiastuti et al., 2022). Word-of-mouth fails provide positive information that can facilitate consumers, as opposed to information about the product that could ease consumer decision-making. According to Arisinta and Ulum (2023), word-of-mouth is a form of communication involving discussions and testimonials carried out by individuals discussing a product or service. This difference in findings could be due to differences in sample variations, such as the demographic composition (age, gender, and background of respondents) which is different from previous research, resulting in different behavior and preferences as well. In addition, the nature of the product can influence the impact of word-of-mouth promotion. Halal lipstick products may have different consumer perceptions or attributes from other products, thus affecting the role of word-of-mouth promotion.

CONCLUSIONS

Brand image influences purchase decisions, and product quality also plays a role in shaping purchasing choices. However, one hypothesis that was rejected pertains to word of mouth (WOM), as it was found not to have a significant impact on purchase decisions. This study exhibits several limitations, and it is hoped that it can guide future research. The limited sample size may not fully represent the entire population. Furthermore, the study primarily relies on specific groups of respondents, such as individuals living in certain geographic areas or those who are already users of Wardah lipstick. This may limit the generalizability of the findings to a broader population. Additionally, this study focuses solely on three variables and does not consider other potential factors that could influence purchasing decisions.

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