# Millennial Generation's Enthusiasm for Korean Food Labeled Halal

**Rianto Nurcahyo<sup>1\*</sup>, Thasya Salsabila<sup>2</sup>, Nabila Tridhani Putri<sup>3</sup>** <sup>1,2,3</sup> Binus Business School Undergraduate Program, Binus University, Indonesia

Article Info	ABSTRACT
<i>Article history:</i> Received April 24, 2024 Revised May 6, 2024 Accepted May 15, 2024	The phenomenon of success through the Korean Wave has had an impact on products consumed by celebrities from Korean bands, one of which is K-food or typical food from South Korea. This research aims to find out how the Halal Label, Brand Equity and Service Quality influence the
<i>Keywords:</i> Halal Label; Brand Equity; Service Quality; Purchasing Decisions.	Purchasing Decisions of Korean Restaurant Consumers in South Tangerang. The data analysis used in this research is a quantitative method and the research sample consists of Korean restaurant consumers in South Tangerang with a total of 100 respondents. This research method uses multiple linear regression using SPSS version 26. The independent variables in this research are the halal label (X1), brand equity (X2) and service quality (X3) while the dependent variable in this research is the purchasing decision (Y). The research results show that each independent variable has a positive and significant effect on the dependent variable in the millennial generation who buy Korean food labelled Halal.
*Corresponding Author:	0

"Corresponding Author rnurtjahjo@binus.edu

### INTRODUCTION

Cultural acculturation is a successful form of social communication where it arises as a result of a community group with its culture being brought together with an outside culture. The meeting of this cultural process has created a culture that adapts while transforming people's lives to form a "popular culture". One of the most known commodification in the Korean Wave phenomenon is called K-pop or Korean music pop culture (Saraswati et al., 2023). In the era of the "digital road," Korean popular music ("K-Pop") has disseminated into every part of the world (Y. Kim, 2014).

Korean culture has entered Indonesia through dramas, K-pop, films, fashion, make-up, games, language and even culinary delights, and has become a trend called the Korean Wave or Hallyu, Hallyu is a term given by a journalist in China, which

is an appreciation for the achievements of Korean culture which have gone global. Hallyu consists of Korean cultural content, such as K-Drama, K-Food, K-Fashion and K-Pop (Makanan Korea di Banda Aceh et al., 2014). This Korean wave phenomenon can be seen in Figure 1.1 where from the data there is an increase until 2021



## Growth in Hallyu fans in past decade

**Figures 1.** The rise in the number of Hallyu (Korean Wave) fans in the past decade. Source: Korea Foundation, 2021 (Hae-yeon, 2022)

Based on the data from Figure 1.1 there is an increase in the number of Hallyu, or Korean Wave, fans around the world which has increased 17 times in the last decade, proving the strong global popularity of Korean content and stars. According to a survey published by the Korea Foundation (KF), there has been an increase in the number of Korean Wave fans to 156.6 million, this survey is based on 116 countries that have been surveyed. Korean popular culture, especially K-pop and TV dramas, have been securing audiences in diverse areas of the world (J. Kim, 2016). This has brought a huge impact from the invasion of the world culture "Korean wave" in Indonesia. The success of the phenomenon through the Korean wave also has a big impact on the products consumed by celebrities who play a role in the drama, one of which is K-Food or South Korean specialty food.

The Indonesian people's enthusiasm for Korean products stems from the Korean wave, also known as Hallyu, which has influenced people all over the world (Subandi et al., 2022). Research from (Septenia, 2021) The popularity of South Korean cuisine in Indonesia 2019, around 59.8 % of respondents stated Korean food was very popular in Indonesia. It showed that the interest in Korean food in Indonesia has risen in line with the popularity of Korean Pop and Korean Drama. In addition to that, a study by Korea Science showed that Indonesian consumers had a strong preference for ramyeon, noodles, snacks, and kimchi among Korean foods.

The culinary industry has contributed to the growth of this creative economy because it is influenced by the lifestyle of modern society. The Ministry of Tourism of Indonesian Republic (Kemenpar) has so far developed and promoted services business in 12 sharia tourist destinations. The development is carried out in several cities, namely Aceh, West Sumatra, Riau, Lampung, Banten, Jakarta, West Java, Central Java, Yogyakarta, East Java, NTB and South Sulawesi (Indrajaya et al., 2018). Currently the city of South Tangerang has been very well known by the people of Indonesia and foreign countries, especially for modern residential areas such as BSD City, Alam Sutra, Bintaro known for the completeness of the city is very modern, also known as a city culinary tour.

The potential of the southern city of Tangerang and can attract research as a new city of halal culinary tourism, but to become a new city of halal culinary tourism. However, after Law Number 33 of 2014 came into force, questions arose regarding the relevance and continuity of MUI's authority to guarantee halal labels under the new regulations. The JPH Law is one of the laws in the Job Creation Law cluster, and several provisions have been amended to regulate regulation of business permits in Indonesia (Kharrazi et al., 2024).

Based on the description in the background above, the purpose of this study is to determine the influence of the halal label on the purchasing decisions of millennial consumers (a case study at one of the Korean restaurants in South Tangerang), to determine how the influence of brand equity on purchasing decisions on millennial consumers (a case study at one of the Korean restaurants in South Tangerang), to determine how the influence of service quality on purchasing decisions on millennial consumers (a case study at one of the Korean restaurants in South Tangerang) and to determine how the influence of halal labels, brand equity and service quality on purchasing decisions on millennial consumers (a case study at one of the Korean restaurants in South Tangerang).

#### LITERATURE REVIEW

In conducting business activities, companies must pay attention to their marketing strategies to promote their brands, as well as compete with competitors in the international arena. The food and beverages industry are one of the industries that must have a creative and innovative global marketing strategy foundation because the industry is required to continue to innovate and develop on market demand and trends that continue to rise with the times. Global marketing is a process of adjusting the marketing strategies of a company in order to adapt to other country's conditions.

Global marketing as a marketing that is based on a global level that takes advantages of various global operational similarities, opportunities and differences that will help in meeting the global objectives of the company. The company would also have to take care of the religious and communal preferences associated with their target market. Keeping this in mind, company would have to make adjustments by also maintaining a homogenization in their offering (Baweja et al., 2018). In these verses the word "Halal" becomes the basis for the order to eat food and drink which are halal and good because not all Halal foods are good and the basis of all foods and beverages derived from plants, vegetables, fruits and animals is halal except some of them which have toxin that dangerous for human. The general principle is no prohibition on halal food consumption because of its verdict, everything is originally halal (Nafis, 2019). In Indonesia the halal certification process of products has long been carried out by the Indonesian MUI which issues Halal Certificates for products that are requested by producers based on the Fatwa of the Indonesian MUI. Regarding halal certification, there are fundamental issues related to national law and legal theory which say that every implementation of law and public policy needs State involvement in terms of constitutional legal aspects, the status of the Indonesian MUI is not a state institution or government organ, but can be given public authority to carry out certain functions under the law. After 5 years was passed Law No. 33 of 2014 concerning Halal Product Guarantee until now there has been no implementing regulation to guarantee the implementation of halal products in Indonesia, even though in the socialization process there needs to be a policy of the central and regional governments in implementing the Law No. 33 of 2014 regarding Halal Product Guarantee (Nita & Fikri, 2020).

One of the main reasons for doubts about halal food is that many foreign companies and non-Muslims are operating the business of halal food so consumers show their doubts about halal food (Mohamed et al., 2020)(Khan et al., 2022). Few reasons that might contribute to the doubt are (Shahidan & Md Nor, 2006) in Hamdan et al. (2013): the inconsistency of definition of halal on the aspect of slaughtering the animal; the introduction of the halal logo by individual firms; the use of Arabic-sounding or Islamic-signaled brand names; the rampant display of Quranic verses (or the use of Arabic characters) by food operators to indirectly signal that the premise is operated by Muslims and that it offers halal foods; and the lack of enforcement by the authorities with regard to the misuse of halal logos.

Halal certification is an inspection process starting from preparation, slaughter, cleaning, handling, disinfection, storage, transportation and management practices. According to Badruldin et al., (2012) in Putri et al., (2021) halal is not only a religious obligation but is also understood as new alternatives in lifestyle. Products with a halal certificate logo are more easily accepted by consumers, both Muslim and non-Muslim (Putri et al., 2021). According to Government Regulation Number 69 of 1999, the indicators of halal labelling are (Klimchuk, and Krasovec, 2007) in Millatina et al. (2022): Image: is the result of imitation in shapes or patterns (animals, people, plants) made with writing utensils. Writing: is the result of writing which is expected to be read. Combination of Images and Writings: a combination of the results of images and writings made into one part. Building brand equity resulted in a better competitive advantage, better opportunities for brand extension and benefits in the margin (Chen, 2010).

Keeping in view the importance of halal brands and their wide acceptance among large Muslim consumer markets, it is important to study the constructs that could determine the image, consumer trust and satisfaction and equity of halal brands (Khan et al., 2022). Brand equity is a series of assets and liabilities associated with its name, symbol, and brand, which decreases and increases the value provided by services or goods to the company's customers or company. A brand can be said to have positive customer- based brand equity if customers react to certain products more positively (Puspaningrum, 2020). With the increase of global competition in recent years has influenced many companies or organizations where these companies and organizations are competing to have quality services in order to satisfy their customers and achieve customer loyalty.

Service quality is one of measurement tool that can be used to improve the services provided by the service industry. By knowing the quality of service, service providers can identify things that have not meet customer expectations. Service quality can also be defined as the gap between customer expectations and perceptions of the service obtained(Putri et al., n.d.-b). In these times of intense rivalry in the fast-food market, each restaurant is vying for customers by offering high-quality products (meal), reasonable rates, and alluring promos in an effort to earn the highest ratings from diners.

Customers will undoubtedly select and compare products with high product quality from a variety of similar products, so businesses must keep a menu that can draw customers in and feature goods that meet their standards for quality. The company's efforts to develop communication with customers by building brands to consumers with marketing methods, as well as innovation for new product varieties, are extremely supportive of its success in influencing consumers' purchase decisions. According to Silaban (2019) in (Suleman et al., 2022), decision making is an individual action directly related to obtaining and consuming the provided products.

Multiple decisions are frequently involved in the difficult buying decision process. A decision requires choosing between two or more possible actions. If the product is in line with what customers desire and need, purchases can be made by consumers. The decision to purchase a product is greatly influenced by the evaluation of a number of criteria, such as product quality, price, and product promotion. Consumers today are also quite critical when picking a product. A company's product quality is a tactical tool that it can use to distinguish itself from competitors. This distinctiveness is a value-added for the business and can give it a competitive edge over its rivals. Consumer choice of a product is significantly influenced by the product's quality (Suleman et al., 2022).

#### **METHODS**

This research was conducted using quantitative research. According to Sugiyono 2018 in (Jasmine et al., 2023), "Quantitative research methods can be defined as research methods based on the philosophy of Positivism, used to research on certain populations or samples, data collection using research instruments, data analysis is quantitative / statistical, with the aim of testing predetermined hypotheses. "In this study, the associative research strategy is used to identify the extent of the influence of variable X (independent variable) consisting of Label Halal (X1), Brand Equity (X2) and Service Quality (X3) on variable Y, namely purchasing decisions (dependent variable), both partially and simultaneously.

The unit of analysis in this study is shown in individuals, namely, consumers with an age group of 20 - 39 years who have at least once purchased food at Korean restaurant within the last three months. Based on the total population of

the millennial group and generation z with the age group 20 - 39 years in South Tangerang City, namely, 441,418 people. The technique used in sampling is a non-probability sampling technique which is purposive sampling type. The number of samples of 100 people is obtained.

#### **RESULT AND DISCUSSION**

The results of processing respondents based on domicile, show that they are dominated by students or students at 67%, and the remaining 33% of respondents who come from employees, housewives, and others. Meanwhile, the average income with a value of (IDR 1,000,000-Rp2,000,000) was 33% then, while for incomes of more than (IDR 4,000,000), it was 20%, and respondents who had an income of (IDR 2,000,001-Rp3,000,000) were 20%, and for income that had a value of IDR 3,000,001-Rp4,000,000 was 8%.

For the results of this validity test using a confidence level of 95% or an error rate of 5% using the degree of freedom (df) formula is n-2 and using the SPSS version 26 software program, where the result of the R-table value is 0,197 so that it is obtained in the Halal Label variable (X1), it was found that all statement items were declared valid because they had an R-count value  $\geq$  R-table. For the Brand Equity variable (X2), it was found that all statement items were declared valid and for the Service Quality variable (X3), it was found that all statement items were declared valid so that they could be continued for further testing and the Purchase Decision variable (Y), all statement items were declared valid because the 4 indicators had a value above the R-table of 0,197.

The results of the reliability test show that all variables are reliable because the reliability index above has a Cronbach's Alpha value > 0.6. For the Halal Label variable (X1) has an alpha value of 0.680, Brand Equity (X2) has an alpha value of 0.683, Service Quality (X3) has an alpha value of 0.892, and Purchase Decision (Y) has an alpha value of 0.747 so it can be declared reliable. Thus, the questionnaire used meets the feasibility of the research instrument.

Based on the results of the Descriptive Statistical Analysis test for the minimum value in the Halal Label variable, all indicators have a minimum value of 1, which means they have the lowest answer, which means they strongly disagree and for the maximum value, which has a maximum value of 5, means they strongly agree, while the value of the standard deviation in the Label variable Halal (X1) obtained a value of 4.05, which means it is close to the maximum value, so this shows that the respondents studied in the South Tangerang area chose to eat at this Korean restaurant because the menu served was by Islamic law, and the restaurant had a label. MUI is halal so that it can provide guarantees for the food and drinks served.

For Descriptive Statistics, testing of the Brand Equity variable (X2), a value of 3.96 was obtained, which is close to the maximum value so the average Brand Equity value in this research sample is quite high. This shows that respondents choose Korean food in the South Tangerang area because this restaurant has a delicious menu, offers more attractive promotions and has superior aspects compared to its competitors. Meanwhile, the total average respondent assessment of the Service Quality

variable (X3) is 4.2, so the sample value from this study is quite high. This shows that respondents chose this restaurant because it has an attractive interior design, employees are responsive in serving consumer requests, employees help consumers when they have difficulty choosing a menu, and employees convey information.

### **Hypothesis Test**

In this part of the research, the researcher aims to find out whether the hypothesis that has been assumed is accepted or rejected. Where the results will state that all independent variables, namely Halal Label (X1), Brand Equity (X2), and Service Quality (X3) have an effect or no effect on the dependent variable, namely Purchase Decision (Y). Hypothesis testing in this research consists of the t-test, F-test, and coefficient of determination test (R2). This T-test was carried out to test the partial influence of each independent or independent variable, namely Halal Label (X1), Brand Equity (X2), and Service Quality (X3) on Purchase Decision (Y) as the dependent or independent variable. The following are the results of the t-test to test 3 (three) research hypotheses:

Variable	t- account	t-table	sig	Note
Halal Label (X1)	2.731		0.008	Partially Significant Test
Brand Equity (X2)	3.315	1.985	0.001	Partially Significant Test
Service Quality (X3)	3.787	=	0.000	Partially Significant Test

Table 1. t-Test Results (Partial Hypothesis Testing)

Source: Data Processing Results, 2024

### Simultaneous Significance Test (F Test)

Service Quality (X3)

The F test is used to determine the level of significance of the influence of independent variables, namely Halal Label (X1), Brand Equity (X2), and Service Quality (X3) together (simultaneously) on Purchase Decision (Y) as the dependent variable.

Variable	F- account	F-table	sig
Halal Label (X1)			
Brand Equity (X2)	47.054	2.70	0.000

Table 2. Results of Simultaneous Hypothesis Testing (F Test)

Source: Data Processing Results, 2024

Based on the table 2, it can be seen that the F-count is 47.054 > F-table is 2.70 with a significance value of 0.000 < 0.05, so H<sub>0</sub> is rejected and H<sub>a</sub> is accepted. Based on these results, it can be concluded that the Halal Label, Brand Equity and Service Quality simultaneously have a significant effect on Consumer Purchase Decisions at the Korean Restaurant in South Tangerang.

#### Multiple Linear Regression analysis

This instrument for measuring the influence of two or more independent variables on one dependent variable to prove whether there is a functional or causal relationship between two independent variables (X1, X2, X3) on one dependent variable (Y).

Model	Unstandardi	Standardized Coeficient	
	В	Std Error	Beta
Constant	-0.358	0.337	
Halal Label	0.323	0.118	0.252
Brand Equity	0.279	0.084	0.267
Service Quality	0.405	0.107	0.379

Table 3. Multiple Linear Regression Analysis

Source: Data Processing Results, 2024

### Remarks:

- 1) If the Halal Label value increases by one unit at X1, the Brand Equity value decreases by one unit at X2, and Service Quality increases by one unit at X3, the Purchase Decision (Y) value will decrease by 0.649.
- 2) If the Halal Label value decreases by one unit on the value X1, the Brand Equity value decreases by one unit on the value X2, and the Service Quality decreases by one unit on the value
- 3) If the Halal Label value is 0 at X1, the Brand Equity value is 0 at X2, and Service Quality is 0 at X3, then the Purchase Decision (Y) value is -0.358.

### CONCLUSION

The conclusion of this study indicates that the Korean Wave phenomenon has had a significant impact on the interests of millennial consumers in Indonesia, particularly in the purchase of halal-labeled Korean food. Based on the analysis results, halal labeling, brand equity, and service quality have a positive and significant influence on consumers' purchase decisions at Korean restaurants in South Tangerang. The halal label is an essential factor as it provides assurance that the food complies with Islamic Shariah. Brand equity strengthens the restaurant's positive image through promotion and menu quality, while service quality provides satisfaction through responsive service and an attractive restaurant environment.

Overall, these three variables, both individually and simultaneously, affect consumers' purchasing decisions. This highlights the importance of the halal label in attracting Muslim consumers and the significance of brand equity and service quality in maintaining consumer loyalty.

## REFERENCES

- Baweja, R., Bose, R., Mahajan, S., & Chugh, A. (2018). Global Marketing: What All It Consists Of, Its Importance And The Factors Affecting It. In *International Journal of Management and Commerce Innovations* (Vol. 6). www.researchpublish.com
- Hamdan, H., Issa, Z. M., Abu, N., & Jusoff, K. (2013). Purchasing Decisions among Muslim Consumers of Processed Halal Food Products. *Journal of Food Products Marketing*, 19(1), 54–61. https://doi.org/10.1080/10454446.2013.724365
- Indrajaya, S., Setiawan, M., Khusniyah Indrawati, N., Meruya Selatan No, J., Selatan, M., & Barat, J. (2018). Making the City of Tangerang South, Halal Culinary Tourist City. *Saudi Journal of Business and Management Studies (SJBMS*. https:// doi.org/10.21276/sjbms.2018.3.2.1
- Jasmine, P., Susanti, N., Jasmine Fakultas Ekonomi Dan Bisnis, P., Pamulang Jl Surya Kencana No, U., Bar, P., Pamulang, K., & Tangerang Selatan, K. (2023). Influence of price and promotion on purchasing decisions at Cafe Obrol Coffee in Haji Nawi South Jakarta. 14(2), 58–66. https://doi.org/10.59651/dibus
- Khan, M. A., Hashim, S. Bin, Iqbal, A., Bhutto, M. Y., & Mustafa, G. (2022). Antecedents of halal brand equity: a study of halal food sector of Malaysia. *Journal of Islamic Marketing*, 13(9), 1858–1871. https://doi.org/10.1108/JIMA-01-2021-0012
- Kharrazi, M., Fautanu, I., Suganda, A., & Maryano. (2024). Legal Analysis of MUI's Authority in Providing Halal Label Guarantees after the Issuance of Law Number 33 of 2014 concerning Guarantees for Halal Products. *Revista de Gestão Social e Ambiental*, 18(9), e5761. https://doi.org/10.24857/rgsa.v18n9-057
- Kim, J. (2016). Success without Design: Hallyu (Korean Wave) and Its Implications for Cultural Policy\*.
- Kim, Y. (2014). A Possibility of the Korean Wave Renaissance Construction Through K-Pop: Sustainable Development of the Korean Wave as a Cultural Industry. In *Hastings Communications and Entertainment Law Journal* (Vol. 36). https:// repository.uchastings.edu/hastings\_comm\_ent\_law\_journal/vol36/iss1/3
- Makanan Korea di Banda Aceh, T., Jaminan Produk Halal Oleh Lembaga Pengkajian Pangan, P., dan Kosmetika Majelis Permusyawaratan Ulama Aceh, O., Zamharira, C., & Affan Abdullah, M. (n.d.). *Korean Food Trend in Banda Aceh; Implementation of Halal Product Assurance by the Aceh Food, Drug and Cosmetics Assessment Institute (LPPOM) Aceh Ulama Consultative Council* (Vol. 05, Issue 02). http://www.journal.geutheeinstitute.com.
- Millatina, A. N., Hakimi, F., Alirastra Budiantoro, R., & Arifandi, M. R. (2022). The Impact Of Halal Label In Halal Food Buying Decisions. In *Journal of Islamic Economic Laws* (Vol. 5, Issue 1).
- Nafis, M. C. (2019). The Concept Of Halal And Thayyib And Its Implementation In Indonesia Konsep Halal Dan Thayyib Beserta Implementasinya Di Indonesia. In *Journal of Halal Product and Research*.

- Nita, S., & Fikri, R. A. (2020). Analysis of Application of Law No. 33 of 2014 Concerning Guaranteed Halal Products on the Policies of the Regional Government of Medan City.
- Puspaningrum, A. (2020). Measuring Brand Equity: The Perspective of Starbucks' Customers. *Journal of Applied Management (JAM)*, 18(4), 825–833. https://doi. org/10.21776/ub.jam
- Putri, H. M., Dachyar, M., & Nurcahyo, R. (n.d.-a). *Measuring Service Quality of Halal Certification in Indonesia Food Industry using Fuzzy-SERVQUAL Method for Service Quality Improvement.*
- Putri, H. M., Dachyar, M., & Nurcahyo, R. (2021). *Measuring Service Quality of Halal Certification in Indonesia Food Industry using Fuzzy-SERVQUAL Method for Service Quality Improvement.*
- Saraswati, A., Abdillah, Y., & Rut Damayanti, C. (2023). The Deployment of K-Pop in Asian Market through the Implementation of Cross-Country Business Contracts by the Korean Entertainment Company. *JURNAL ILMU SOSIAL*, 22(1), 44–67. https://doi.org/10.14710/jis.22.1.2023.44-67
- Subandi, F. P. P., Romadlon, F., Nurisusilawati, I., & Chindyana, A. (2022). Sentiment Analysis of Indonesian Interest in Korean Food Based on Naïve Bayes Algorithm. Jurnal Sosioteknologi, 21(3), 337–346. https://doi.org/10.5614/ sostek.itbj.2022.21.3.10
- Suleman, D., Saputra, F., Martias, A., Rohimah, L., Titin Herawaty, M., & Pradikta Rulando, R. (2022). The Effect Of Product Quality And Promotion On Customer Purchase Decisions Of Pizza Hut Restaurant In The City Of Tangerang Selatan With Price As Intervening Variable 1. International Journal Of Social And Management Studies (IJOSMAS, 3(6). www.topbrand-award.com