

Why Adoption of “Halal MUI” Application is Low in a Dominant Muslim Community

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Abstract: Searching information can be done in various ways. One of them through the use of applications on smartphones. An application made by the Institute for Assessment of Food, Drugs and Cosmetics Majelis Ulama Indonesia (LPPOM MUI) to facilitate Muslim consumers on seeking information about halal products is “Halal MUI”. This application can provide information about the halal status of a product as well as the expiration date of the product halal certificate by entering the product name in the search field or by scanning the barcode through the application. The purpose of this study is to analyze the low adoption/ download rate of “Halal MUI” application even after three years since its first launch. The study used AIDA model framework (Awareness, Interest Desire, Adoption) to find out how far the level of awareness, interest and desire of Muslim consumers to utilize “Halal MUI” application. The result shows that the lack of communication and poor technology integrity support on the application was merely the main parameter which led to a low number of “Halal MUI” users among Muslim consumers.

Keywords: Adoption of technology, AIDA, communication, diffusion of innovation, religiosity

1. Introduction

Consuming halal products¹ is an obligation for every Muslim as stated in the Qur'an Al-Baqarah verses 172-173, “O you who have believed, eat from the good things which We have provided for you and be grateful to Allah if it is [indeed] Him that you worship. He has only forbidden to you dead animals, blood, the flesh of swine, and that which has been dedicated to other than Allah. But whoever is forced [by necessity], neither desiring [it] nor transgressing [its limit], there is no sin upon him. Indeed, Allah is Forgiving and Merciful. The number of Muslims in Indonesia that reaches more than 200 million people (Statistik, 2010) makes Indonesia as a potential market target for halal products. Unfortunately the halal status of a lot of products are yet still in doubt even in Indonesia. Until today, most products are found to have no clear identification whether the products are halal or whether the halal certificate is still valid.

The Indonesian government is currently expecting to have a firm regulation that can control the halal warranty of products. This is because halal label or certificate not only guarantee muslim on what they consume or use in accordance to the islamic law, but also encourages manufactures to meet the halal standard (Aisyah, 2017). To make this regulation come into realization, the Indonesian government in cooperation with Institute for Assessment of Food, Drugs and Cosmetics Majelis Ulama Indonesia (LPPOM MUI) consistently socialize the importance of halal certification for food and cosmetics entrepreneurs to all cities in Indonesia, especially in Bogor. The importance of Bogor as a role model for other cities in Indonesia is because Bogor had proven itself to be a pioneer on implementing local regulations that can control and organize the distribution of halal products in Bogor (Selasar, 2017)

¹ Halal (also spelled “hallal” or “halaal”) products, refers to what is permissible or lawful in accordance to the Islamic law and normally is applied for food and drinks.

One of the effort that was applied by LPPOM MUI to socialize halal products in Indonesia was by utilizing smartphone technology to gain awareness of the importance of halal product for Muslim consumers. Data released by the Ministry of Information and Technology shows a significant growth related to the increase of smartphone users in Indonesia. In 2015, the number of smartphone users in Indonesia reached 55 million users. In 2016 itself there was an increasing trend of 18.54% to 65.2 million users. Based on that trend, it can have estimated that in year 2019, the number of smartphone users in Indonesia could reach 92 million (Katadata, 2016).

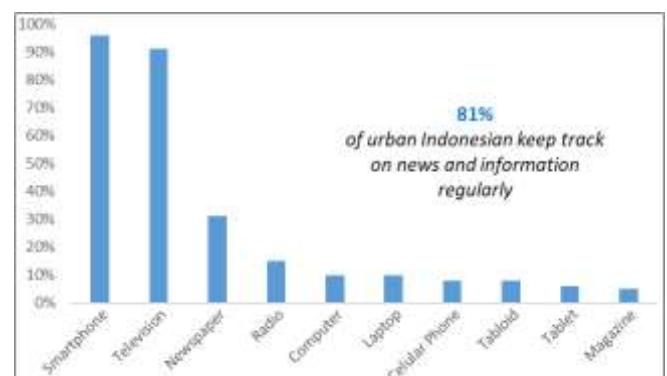


Figure 1: Which Media are used to get Information? (Baidu Indonesia, Indonesia Digital Association, & Indonesia Creative Economic Agency, 2016)

From the figure above, it can also be concluded that smartphone has become a primary media to access information or actual news. The increased use of smartphones users in Indonesia had therefore encouraged LPPOM MUI to launch an application called “Halal MUI” that could check the halal status of a certain product. By entering the product name or scanning the barcode in “Halal MUI” application, the application can provide information about the halal status as well as the expiry date of the halal certificate that is on the product packaging. The main purpose is to facilitate consumers to get precise halal

information about a product so that consumers are expected to purchase halal products only.

However, even after 3 years since its first launch, “Halal MUI” application did not show a significant growth of download users. Only 50000 smartphone users downloaded “Halal MUI” application (Play, 2016). Since the total population of Muslim- smartphone users which was estimated to reach 60 million users, the contradiction of the numbers show on how poor the adoption of “Halal MUI” in a Muslim population like Indonesia.

The purpose of this study based on the problem mentioned is to explore the extent of level of awareness, interest, desire, and adoption of “Halal MUI” application by Muslim consumers. The study is limited on respondent living in Bogor, which is the role model of representing Muslim population in Indonesia. The purpose of this study is also to examine the poor adoption of “Halal MUI” application even in a Muslim population country like Indonesia.

2. Data and Method

The research was conducted in April-June 2017 in Bogor, Indonesia by using a non-probability sampling technique. The sources of data were obtained through a five-points Likert scale questionnaires submitted via online as well as face-to-face interviews. The research focused on parameters that may affect the adoption of using “Halal MUI” by using the framework of AIDA (Awareness, Interest, Desire and Action). Other sources of data for this research were obtained through relevant literature sources, previous researches, internet and information from relevant institutions.

In total, more than 262 respondents participated in the study. However, only 250 respondents passed the acceptance criteria and was analyzed further.

3. Empirical Result

3.1 Characteristic of Respondents

From 250 respondents, at the end 149 respondents decided to utilize “Halal MUI” application (Users). The rest of them which represents 101 respondents decided to not utilize “Halal MUI” application (Non-Users). The characteristic of users and non-users were categorized into 6 parameters, which is sex, age, education, domiciling, income, and status in the family.

Table 1: Characteristic of Users and Non-Users

Characteristic	Classification	Users (149) (%)	Non-Users (101) (%)
Sex	Man	51.67	58.41
	Woman	48.33	41.59
Age	< 20 yrs	0.67	0.00
	21-25 yrs	9.40	6.93
	26-30 yrs	29.53	39.60
	31-35 yrs	25.50	21.78
	36-40 yrs	16.78	8.91
	41-45 yrs	5.37	12.87
	46-50 yrs	8.05	5.94
Education	>51 yrs	4.70	3.96
	Highschool	3.36	6.93
	Bachelor	67.11	57.43
	Master	26.17	24.75
Domiciling	Doctor	3.36	10.89
	West Bogor	20.81	7.92
	South Bogor	13.42	20.79
	Central Bogor	14.77	20.79
	East Bogor	14.09	22.77
	North Bogor	18.79	16.83
Income	Tanah Sareal	18.12	10.89
	1-5 mln	40.27	28.71
	6-10 mln	38.26	30.69
	11-15 mln	8.05	17.82
	16-20 mln	6.71	9.90
	21-25 mln	2.01	9.90
	26-30 mln	2.68	0.00
Status	> 30 mln	2.01	2.97
	Single	21.48	24.75
	Husband/ Wife without children	10.74	17.82
	Husband/ Wife with children	67.79	57.43

From the characteristic of Users and Non-users above, it can be concluded that 250 respondents that was analyzed for this survey was evenly.

3.2 Awareness

Awareness is considered as the first stage for consumers to gain access on the information regarding a certain product or service in the market (Rowley 1998). An effective communication which can be obtained through media, social interaction, and socialization itself will increase the level of awareness, interest and desire on “Halal MUI” application.

Surprisingly, based on the survey that was conducted, almost 158 out of 250 respondents (63.2%) had never heard or knew on “Halal MUI” before. The rest which represents only 92 respondents (36.8%) most likely have heard or do have little knowledge about “Halal MUI” application. The survey shows on how low the awareness level of “Halal MUI” application is.

Communication which is the most influential factor on gaining the awareness of the respondent was than further analyzed and came out with the following results:

Table 2: Average Answers from Users and Non-Users Regarding the Awareness of “Halal MUI” Application

Communication	Average Answers from Users (n=149)	Average Answers from Non-Users (n=101)
<i>1= Totally disagree. 2= Disagree. 3= Not sure. 4= Agree. 5= Totally agree.</i>		
Media		
- I always see “Halal MUI” commercial in the Internet	2.5	1.5
I always see the Seringnya melihat informasi mengenai aplikasi ““Halal MUI”” melalui media poster/flyer.	2.5	1.4
Social Interaction		
- I frequently discuss about “Halal MUI” with family and friends.	2.4	1.5
- Friends or family always ask me to use “Halal MUI”.	2.4	1.4
LPPOM MUI Socialization		
- I received information about “Halal MUI” always from training occasion conducted by LPPOM MUI.	2.3	1.4
- I received information about “Halal MUI” always from exhibition conducted by LPPOM MUI.	2.4	1.4

Through media itself, there has been considered nearly no information of “Halal MUI” that was shown in the media such as commercial, neither in television or Internet. Whereas advertising is most often used to create awareness and stimulate interest in the services offered (Lovelock, Patterson, & Wirtz, 1998). Almost all respondents also had barely never seen any pamphlet, poster, or flyer in campus, school, or in any other public place referring to “Halal MUI” application. Most of the respondents also had never heard any discussion regarding this “Halal MUI” among their relatives and family.

LPPOM MUI which was expected to be the organization responsible on the marketing of “Halal MUI” product failed to promote “Halal MUI” application. This can be shown from the result where nearly all respondent had never heard any marketing or promotion in any occasion organized by LPPOM MUI.

From all results, it can be concluded that communication was supposed to be the first step for Muslim consumers to receive information and to gain awareness about “Halal MUI”. However, there was no optimal communication to Muslim consumers causing low awareness on “Halal MUI” application. According (Septifani, Achmadi, & Santoso, 2014) there are a significant and positive influence between knowledge and decision to purchase. This means the higher knowledge, will be followed by increasingly high purchase decision.

3.3 Interest

Interest is the stage where consumers start to see the benefit of the product. (Ghirvu 1998). From 250 respondents that was involved in the survey, 101 respondents were considered as non-users. 69 of them did use and try “Halal MUI”, but then decided to not use “Halal MUI” application.

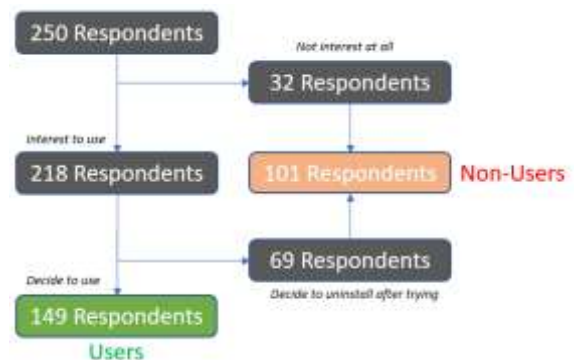


Figure 2: The Distribution of Users and Non-Users Respondents

In total, 218 respondents did show interest after being introduced on the benefit of “Halal MUI” application. From 218 respondents, most of them were mentioning that curiosity had brought them to download “Halal MUI” during the survey. Most respondent also did have a high expectation on “Halal MUI” hoping that “Halal MUI” can support them to find valid certified halal products. All the technology advantage of “Halal MUI” such as lower capacity, or easy handling did not play a significant role in this stage on increasing the interest of the respondents to utilize “Halal MUI”.

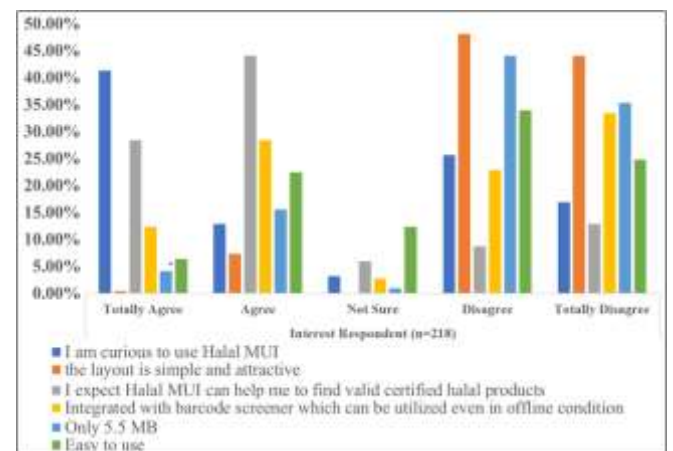


Figure 3: Interest Analysis from 218 Respondents

The result shows that 32 respondents show completely no interest at all on utilizing “Halal MUI” application during the beginning of the survey. The reason can be obtained in the figure below.

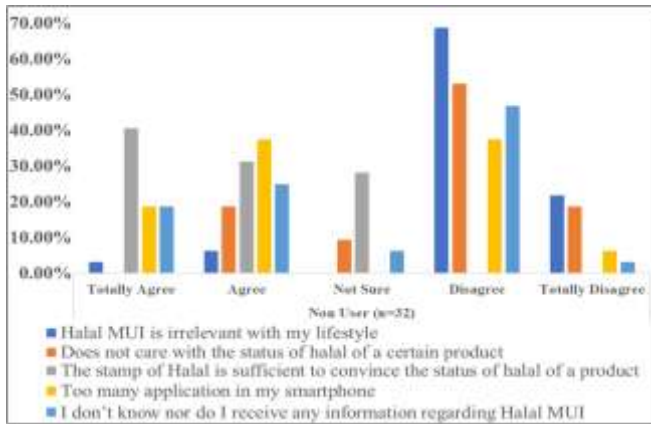


Figure 4: Interest Analysis from 32 Non-Users

As can be seen in the above figure, the lack of interest to “Halal MUI” application is shown not because of the passiveness from respondent regarding the status of Halal of a certain product. In contrary almost all 32 respondents were showing high interest of the halal status of a product. The lack of interest was shown since most people rely on the stamp or logo of halal that is already mentioned in the product itself. By having the logo of halal which comes from LPPOM MUI, most of the respondent would highly assumed that the status of halal of a product can be guaranteed. The lack of information regarding “Halal MUI” and its benefits were considered also as the reason of lack of interest to “Halal MUI” application as per above result.

3.4 Desire

Desire is considered as the best predicting factor for behavioral changes between awareness and interest for adoption (Ranjbarian, Yaser, Barzoki, & Jolodar, 2011) As can be seen below, a total of 218 respondents did show their interest and desire on utilizing “Halal MUI” application.

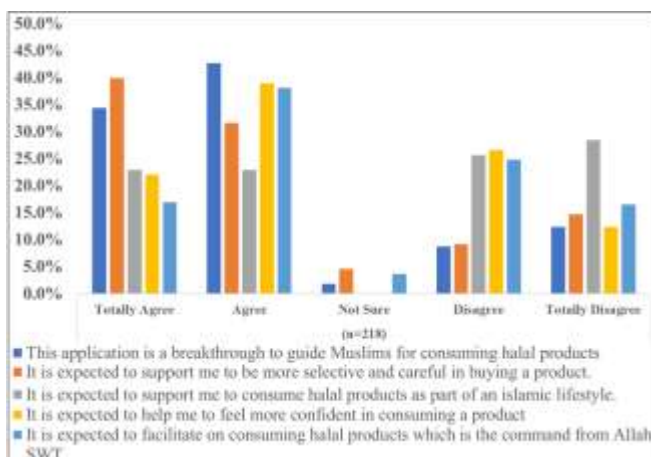


Figure 5: Desire Analysis from 218 Respondents

As can be seen in the above table, all respondents did have high expectation on “Halal MUI”. Mostly all respondents did think that “Halal MUI” can facilitate them on searching halal products.

3.5 Adoption

Adoption is the latest stage where consumers already show interest at a product and agree that the product suits perfectly

to its requirement. The consumers will start to purchase and use the product (Hasan, Hartoyo, Sumarwan, & Suharjo, 2012).

From 250 respondents that were interviewed and were involved in the survey, 32 respondents (12.8% from 250 respondents) did not have any interest at all since the beginning of this survey. 218 respondents did have the chance to use and try the application. However, 69 respondents decided to uninstall the application directly, leaving only 149 respondents that will use the application continuously or occasionally in the future.

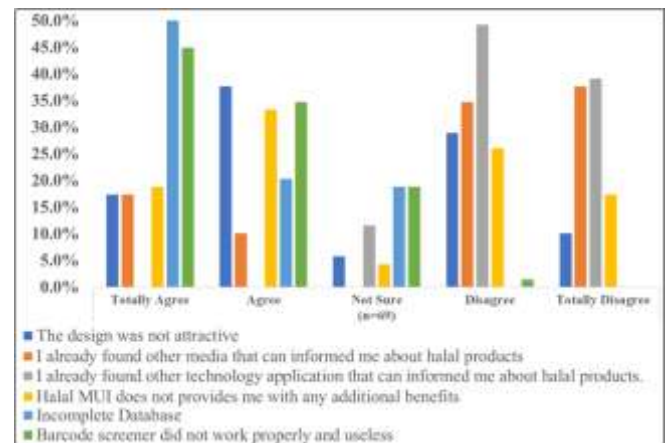


Figure 6: Adoption Analysis from 69 Non-Users that Conducted a Trial on the Application

The reason for 69 respondents to uninstall “Halal MUI” application after the trial can be seen in the above figure and was due to the fact that the application did not fulfil their expectation as a solution that can support them to facilitate on finding valid certified halal products. Incomplete database and improper barcode scanner were the main reasons behind the decision of all these 69 respondents to uninstall “Halal MUI” from their smartphone devices.

From 149 respondents that will used the application, only 42 respondents (16.8% from 250 respondents) of them were considered as active users and will use the “Halal MUI” application continuously. 107 Respondents 42.8% (107 respondents) of them are rare-users, which will use the “Halal MUI” application occasionally. The below figure shows on the summary of percentage between non-users which is represented by the red and orange section, and users which is represented by yellow and green section.

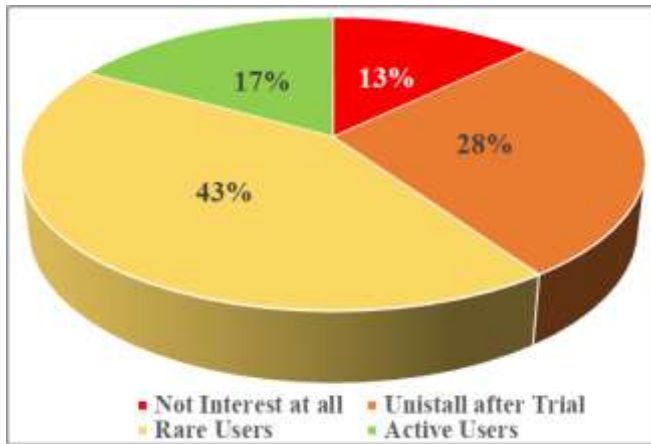


Figure 7: Distribution of Respondents in Adopting “Halal MUI”

The result shows that “Halal MUI” was unfortunately not chosen as a primary solution for Muslim consumers to identify the status of halal of a product. Even though 16.8% of the respondents were active users, the rest of respondents were non-users or rare users (83.2%).

4. Conclusion

From the survey and research, it can be concluded as follow:

- 1) The low number of download user of “Halal MUI” application was due to the lack of communication, causing the public to not receive any information about this application. In addition to that, the integration of technology for “Halal MUI” application was not well developed. The barcode scanner did not perform properly. The database did not show all daily products, and therefore at the end Muslim consumers were unable to fully utilize the application.
- 2) The halal logo that is normally shown at the package of a product is to be one of the main reason why Muslim consumers did not really need “Halal MUI” application. Halal logo was considered sufficient to identify halal products without requiring further action or requirement to download “Halal MUI” application.

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