

The Influence of Digitalization, Religiosity and Product Quality on Purchase Decisions of Korean Packaged Food and Beverage Products

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Abstract. Consumption plays an important role in everyone's life. There's no lifestyles for humans without intake. monetary interest additionally leads to the fulfillment of human intake needs. To neglect consumption means to neglect one's life and ability to fulfill one's obligations. Since the Pandemic, consumer behavior has changed drastically from manual to digital transactions, due to interest regulations imposed through the authorities, in order that the dependence of clients and commercial enterprise executives on virtual technology has by no means been greater than today. Rapid and widespread digitization has forced many businesses to create new virtual platforms to fulfill human beings's needs. One result of the digitization process is the presence of a virtual platform. The outcomes of the examine show that digitization, religiosity, and product quality influence purchasing decisions.

Keywords: Digitization; Religiosity; Product Quality; Buying Decision

1 Introduction

The global Pandemic that occurred from the end of 2019 to the end of the third quarter of 2021 has become a burden. Although the Islamic economy and finance have begun to rebound, this will not be possible if the government does not concert to combat the worldwide epidemic and rebuild the Islamic economy and finance. Implementing rules like PPKM and doing activities from home are two examples [1]. The PPKM decision has altered consumption habits in society as a whole. As a result, even if many goods on the Indonesian market are domestic and imported, primary and secondary needs must also be satisfied in addition to fundamental needs. Numerous options are available to the community due to the abundance of products in the Indonesian market. Still, they are unaware of the issue with halal products, particularly food.

For humans, There's no lifestyles for humans without intake. Consequently, monetary activity allows to meet people's needs for memory. Ignoring consuming entails attending to obligations owed to others and life itself. According to 2018 or 2019 State of the Global Islamic Economy (SGIE) report, the amount of halal food and lifestyle consumption by Muslims worldwide is predicted to increase and reach \$42 billion in 2023, or roughly 42 billion US dollars. The 2019 State of the Global Islamic Economy. Islam restricts what is consumed, just as the Koran does. Consume food that is of high moral character in moderation, such as Halal and Thayyib goods, as in Islam, consumption is supposed to satisfy the Maslahah of the world and prepare for the hereafter.

Because they are fundamental ideas in Islam, halal and haram are regarded as the core tenets of Islamic law [2]. Every Muslim must abide by the Koranic prohibition against eating anything other than Halal food, upon which they are built. Halal encompasses more than only religious considerations; at the moment, it is also intimately linked to manufacturing practices that place a premium on quality and cleanliness, as well as the notion that a product is halal. In this case, the government's responsibility is to ensure that the food ingested complies with Islamic law's halal requirements. Additionally, consumers believe in the product's potential to deliver on its promise of value, the brand impression based on this consumer belief, and the brand's capacity to put the interests of its customers first. The abundance of products with popular trademarks or brands does not imply that they are MUI halal certified.

Choosing to buy a product is referred to as a purchasing decision. As a result, it is possible to define purchase decisions as the steps customers take to select a product from a range of options that suits their needs[3]. With the help of government-imposed activity limits, consumer behavior has changed significantly since the Pandemic, shifting from manual to digital transactions. As a result, consumers and corporate executives now depend more than ever on digital technology. Due to the quick and pervasive digitization process, numerous firms have been pushed to develop new digital platforms for their operations to meet societal demands. One of the outcomes of the digitization process that the community now needs to carry out is the provision of a digital platform. Without digitization, human activity in many domains will be hindered, particularly given the current Pandemic severely restricting many activities and contacts. As a result, the digitization process needs to be continued in a timely and effective manner. For instance, social media sites like Facebook, Instagram, Twitter, and LinkedIn have a variety of online names. You can also use digital audiovisual sites like YouTube, Spotify, Apple Music, and Long Music to satisfy your entertainment needs. Do not forget to take advantage of the platform for consumer goods, which includes food and other essentials.

Studies carried out through the Demographic Institute of the college of Economics and enterprise, Indonesia University, 97% of digital spending in Indonesia during the Pandemic was spent buying food online. Online-Lieferdienste is in second with 76%. Spending on online transportation and shopping for daily needs (online groceries) is 75% and 74%, respectively. The Pandemic has also resulted in most consumers (54%) spending more money online. There are several benefits to using digital payments. It turns out that numerous aspects are available that appeal to the general public, starting from readily available discounts and rebates, in addition to the significance of social distance. However, neither commercial actors nor the government assures that the things they offer in these online transactions or the transactions themselves are halal[2].

The role of digital technology is a significant component that will influence economic development in the coming years based on the context and issues of the pandemic. For customers to decide whether to consume halal, this will also be backed by background considerations based on their religious convictions, influencing their trust in a brand. Consequently, a deeper comprehension is required.

2 Literature Review

2.1 Purchase Decision

The purchase of a product or the decision not to purchase a thing is the ultimate goal of consumer behavior and is referred to as a purchase decision. A choice must be made between two or more choices. 2010's Peter and Olson claim that consumer decisions are goal-oriented and that customers must make decisions regarding a variety of choices while trying to solve problems. According to Blackwell et al. a variety of elements, such as in-store sales promotions, ambient quality, service level, pricing, value, logistical convenience, and personal trade experience, have an impact on buying decisions. In other words, buying decisions are the acts consumers take to select goods from a range of options that suit their needs.

2.2 Brand Trust

Brand trust is a consumer's perception of dependence based on experience, namely the result of a transaction or interaction that is distinguished by the fulfillment of product performance and satisfaction expectations. Because it is expected that the other party will follow consumers' needs and desires, trust is built. Furthermore, according to Delgado, brand trust is brand trust that comes from consumer confidence in the ability of products to fulfill their promises, as well as the ability of brands to prioritize consumer interests.

2.3 Digitalization

According to Brennen & Kries, one of these is the definition of the academic side. Digital communication and the influence of digital media on modern social life are both used to characterize digitalization. Digitalization is "the use of digital technology to change business models and create new revenue and value opportunities; it is the move to a digital business," according to the Gartner.com Terminology Dictionary.

2.4 Religiosity

Wilkins asserts that one of a person's strongest identities is their religion since religion and religious institutions satisfy spiritual demands while also providing social, economic, and psychological benefits[4]. According to Wilkins[4] and Greenberg et al, religion is a crucial system that aids people in overcoming obstacles to their existence and comprehending it. As a result, it is not surprising that religion has grown to be a significant concern that might affect how people behave, particularly when deciding what to purchase. Individual variations that affect consumer behavior also stem from religion. Religiosity is the state of having religious feelings.

2.5 Product quality

Performance quality refers to both the level of customer-expectable excellence and the control over that level necessary to achieve customer excellence. By evaluating whether the product or service acquired from customers satisfies their expectations, product/service quality can be distinguished[5]. If so, the product or service's quality can be deemed to be satisfactory and good. The quality of the product or service can be seen as the quality of the optimum product/service performance if it meets or surpasses consumer expectations. On the other hand, if the level of service is below what customers desire, the product or service will be deemed bad quality. According to Kotler[6], the quality of a product or service must begin with the customer's demands and finish with their perceptions. In this instance, it can be

deduced that good quality depends on both the buyer's perception and the supplier's or service's perception.

3 Research Method

Research approach is a form of quantitative descriptive research using online survey techniques. For this study, 60 respondents were given online questionnaires to complete. The Likert Scale measurement is utilized in this study [7]. This psychometric scale is frequently utilized in the item bank and is mostly employed in questionnaire-based research, particularly descriptive. Use a 5-point rating system to classify responses even though the questions depend on the respondent's perception. The validity and reliability tests are the instrument testing methods used in this investigation. A validity test is used to determine the validity of a questionnaire [8].

4 Result and Discussion

4.1. Validity and Reliability Test Results

Following are the results of the validity test carried out using SPSS 25 statistical calculations for the questionnaire statements from the variables are shows that the value of r count is greater than r table (0.349) with a total sample (N) of 30, so it can be concluded that all items in the variable indicators of digitization, religiosity, product quality, and purchasing decisions are valid. And the following are the results of reliability testing for the variables From the results of reliability calculations, it is obtained that the R count for all of the variables above obtain a reliability value greater than 0.60. This means that the instrument variables are declared reliable. Thus, the questionnaire can be used as a research instrument.

4.2. Statistical Test Results t

In this study, testing using a significant level of 0.05 ($\alpha = 5\%$). The criteria for accepting or rejecting the hypothesis, the results of the t test calculations can be conclusion is obtained as the Digitalization variable (X1) has significant of 0.023. It is able to be come to the conclusion Digitalization partially has evidenced through a crucial value of $0.023 < 0.05$, or the hypothesis is accepted. Religiusity variable (X2) has a significant 0,005. It is able to be come to the conclusion in order for Religiusity partially has a evidenced by a value in reverse $0,005 < 0,05$, or the hypothesis accept. Product Quality Variable (X3) has a significant value of 0.042. So it can be concluded that the variable Product Quality partially has a evidenced by a significant value of $0.042 < 0.05$, or the hypothesis is accepted.

4.3. F test results

The outcomes of the F assess calculations may be seen within the following index:

Table 1. F-Test assess

ANOVA ^a						
	Model	SOS	Df	MS	F	Sig.
1	Reg	6,507	3	2,169	,701	,045 ^b
	Residual	80,460	26	3,095		
	Total	86,967	29			

a. Dependent Variable: Purchase decision
b. Predictors: (Constant), Product quality, Religiosity, Digitalization

Source: SPSS Processing Version 25, 2022

The results of testing the hypothesis of the effect of digitization, religiosity, and product quality on purchasing decisions for Korean packaged food and beverage products are significant. This is evidenced in the table above, where the significant value is 0.045 or <0.05 . Therefore, the decision hypothesis is accepted because of the significant value of 0.045. So that digitalization, religiosity, and product quality have a joint influence on purchasing decisions for Korean packaged food and beverage products, and the Adjusted R Square column shows a coefficient of determination of 0.732 or 73.2%.

According to the results of the t-test, digitalization has a favorable and significant impact on consumers' decision-making. The t-test hypothesis was tested, and the results show that the hypothesis is accepted because the significant value of the t-count digitizing variable is equivalent to 0.023 0.05. The fact that the respondents' responses fall under the same category demonstrates that Korean packaged food and beverage companies can maintain and even increase digitalization through advertising their brands/products (more intensive ad optimizer) on online buying and selling applications and increasing the frequency of brand activation content on social media. According to both items' highest statement scores on the digitization variable, the respondent's perception is very good: "I know that Korean food and beverage products actively advertise their products through online buying and selling applications nor social networks." This statement received an average score of 4.63. The findings of this observe are constant by those Tanuwijaya, Dila et al., who have shown that digitalization impacts consumer purchasing behavior.

According to the results of the t-test, religiosity has a favorable and significant impact on buying decisions. The hypothesis is accepted when the significant value of the t count for the religiosity variable is 0.005 0.05, which is the result of testing the t-test hypothesis. Because the respondents' impressions were rated favorably, it is clear that Korean packaged food and beverage companies can retain or even increase exposure to the halal identity to strengthen religiosity further. I consume Korean packaged food, and beverage products labeled halal because it calms my heart, which is the item with the highest score on the religiosity variable, with an average score of 4.8, indicating that respondents' perceptions of Korean packaged food and beverage products labeled halal have a very good category. The findings of this observe are consistent with research by Isa, Fitria & Artanti[9], which demonstrate how religion affects consumer choices.

According to the results of the t-test, product quality has a favorable and significant impact on consumers' choices to buy. The product quality variable's significance value for the t-test hypothesis, equal to 0.042 0.05, indicates that the hypothesis is accepted. The positive perceptions of the respondents demonstrate that Korean packaged food and beverage companies can maintain and even improve product quality. With an average score of 4.03, the item with the highest score on the product quality variable, "Korean packaged food and beverage products have a safe, attractive, and easy to remember packaging," shows that respondents believe the packaging of Korean food and beverage products is well-designed. It has a really good category of safe, intriguing, and memorable. This study's findings are consistent with Suari et al.[10] and Fadhilah et al.[11], which demonstrate how product quality affects consumers' buying decisions.

5 Conclusion

Primarily based on the outcomes of the observe, it could be concluded that the research hypothesis are Digitalization (digital marketing) influences purchasing decisions for Korean food and beverage products, religiosity (halal branding) influences purchasing decisions for Korean food and beverage products, product quality influences the purchasing decision of Korean food and beverage products, digitalization, Religiosity, and product quality simultaneously influence the purchasing decisions of Korean food and beverage products.

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