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The effect of religiosity and product knowledge on customer loyalty with halal perception as a mediation variable: A study on Muslim women consumers of halal certified cosmetic products in Malang city

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ABSTRACT

As explanatory quantitative research, this study aims to determine direct and indirect effect of religiosity and product knowledge on customer loyalty moderated by halal perception. The object of this research is a Muslim woman who uses halal-certified cosmetics in Malang City with a total sample of 140 respondents. The data collection technique used a closed questionnaire with the help of a google form. Data analysis techniques used include descriptive statistical analysis and Structural Equation Model (SEM) with Partial Least Square (PLS) approach. The results showed that religiosity and product knowledge had a direct effect on halal perception. Then, religiosity, product knowledge, and halal perception have a direct effect on customer loyalty. Furthermore, halal perception has an indirect effect because it is able to mediate religiosity and product on customer loyalty.

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Introduction

Human need is a condition that is felt to be a satisfaction based on human scientific nature (Brand-Correa & Steinberger, 2017; Baxter & Pelletier, 2019; Sailer et al., 2017). Satisfying women's needs are usually those who support them to look perfect in public. One of these women's needs, namely cosmetics (Pangaribuan, 2017).

Indonesia is one of the potential cosmetic markets so that the business is prospective and promising. This can be seen from the increase in cosmetic sales in the first quarter of 2019 which touched 8.12 percent with a gross domestic product (GDP) of IDR 21.9 trillion. Throughout 2018, the GDP value reached IDR 50 trillion (Ministry of Industry, 2019).

The innovation that is currently booming among manufacturers is cosmetics with a halal label (Rohmatun & Dewi, 2017). Of course, the creation of halal cosmetics cannot be separated from the role of the community as product users. The large number of adherents of Islam in Indonesia is one of the many reasons for the formation of halal cosmetic products (Adriyati & Indriani, 2017). This trend is growing because many cosmetic products contain ingredients that are not allowed by Islamic law. Therefore, the Indonesian Ulema Council (MUI), cannot give halal labels to these products. Furthermore, these increasingly intelligent consumers have finally chosen to use cosmetic products with a halal label.

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The advantages of halal cosmetics with other products are using natural ingredients and guaranteed halal products. Halal cosmetics are different from ordinary cosmetic products, because halal cosmetics must not contain traces of pork by-products and their derivatives, alcohol and other prohibited ingredients according to Islamic guidelines. Sigma Research conducted a study to look at the factors that women in Indonesia consider in buying beauty products, and the results show that the "Halal" factor ranks 5th out of 11 factors studied.

The Indonesian halal cosmetics market is a good context for conducting research because Indonesia is a country with the largest Muslim population with a large middle class, so it is a huge potential market for halal cosmetics (Aisyah, 2017). A report reveals that the market value of Indonesian halal cosmetics is US\$ 315 million and is increasing annually by an average of 9.67% since 2013 (Handayani, 2016).

The increasing competition in the cosmetic industry will certainly affect consumers, where consumers are faced with various choices of cosmetics with the advantages and uniqueness of one product with another. The role of the company in offering its products must of course be in accordance with the needs and desires of consumers, so that consumers want to buy and use these products. This makes the study of consumer behavior important, so that companies can understand what consumers think, feel, and do, and can find out what kind of product they want, and how to convey the value of the product to consumers so that it will be very useful for the benefit of developing an effective marketing strategy (Gupta, 2015).

Recently, the awareness of consuming halal products among Muslims has expanded to include various non-food products. As a result, the product industry continues to thrive in most countries whose populations include a large number of Muslim customers (Annabi and Ibidapo-Obe, 2017). Halal cosmetics have been regarded as healthier and safer products; increase their attractiveness to Muslim and non-Muslim consumers (Mohezar et al., 2016).

The literature on loyalty has identified several pathways to customer loyalty. The first and most common path is the cognitive-rational approach based on the quality-satisfaction-loyalty model (Cronin et al., 2000; Suhartanto et al., 2019a, 2019b). The second pathway is based on the customer's emotional attachment to the brand transmitted through relationship marketing, based on attachment theory (Bretherton, 1985; Levy and Hino, 2016). The third path to customer loyalty is driven by the religiosity factor which is based on a behavioral approach to religiosity (Suhartanto et al., 2019a, 2019b; Wang et al., 2020).

Studies on loyalty tend to follow three approaches, namely behavioral, attitudinal and composite of attitudinal and behavioral (Suhartanto et al., 2019a, 2019b; Tang and Li, 2015). In the context of halal cosmetics, Abd Rahman et al. (2015) measured attitudinal loyalty not only with the intention to buy in the future but also the customer's willingness to expend more effort to get the product.

Religion denotes a structured order of beliefs, symbols and rituals to allow for individual closeness to God and as a guide for relationships with others (Islam and Chandrasekaran, 2020). This definition notes that religion offers its followers a certain set of beliefs, rituals, values, and communities (Mathras et al., 2016). For its followers, religion presents the ideals of life, influencing their behavior and attitudes (Souiden and Rani, 2015).

Meanwhile, product knowledge is another important thing that must be communicated by marketers in providing instructions for the products they offer to consumers (Nurhayati & Hendar, 2019).

There are inconsistencies in research results from the influence of religion on halal perception, product knowledge on consumer loyalty, and religious on customer loyalty. The existence of inconsistencies in the results of previous studies which resulted in differences, became an interesting research gap for further research. Furthermore, to overcome the research gap, the researchers added halal perception as a mediating variable, namely as a direct and indirect influence of religion and product knowledge on customer loyalty through halal perception.

Halal perception was chosen to be the mediating variable because halal perception can give the impression to individuals to produce a meaning that anything labeled halal is guaranteed to be halal and permitted according to Islamic law (Ruslan et al., 2018). Halal products are produced based on Islamic values by attracting sales targets to Muslim customers because they fulfill their product needs while adhering to their religious obligations. Consumers usually have their own perception of most of the products and services in the market (Tubio et al., 2016; Yee and Yazdanifard, 2014; Wee et al., 2014). This perception ultimately influences decisions and continues to consumer loyalty as investigated in previous studies (Hasib & Anwar, 2020; Tubio et al., 2016; Chan and Rashad, 2016; Wee et al., 2014).

Literature Review

Theoretical and Conceptual Review

Customer Loyalty

According to Islam, et al (2020) explain loyalty as a repeat purchase, a function of the psychological process that results from commitment. According to Yuan, et al (2020) consumer loyalty is considered as a consequence of customer value; it refers to the likelihood that a buyer will purchase a product from a particular supplier repeatedly and maintain a deep, long-term commitment to

that supplier. According to Zephaniah et al (2020) customer loyalty is defined as continuous repurchase or continuous support behavior for services or products.

Halal Perception

According to Kotler and Keller (2016: 228), perception does not only depend on physical stimuli but also stimuli related to the surrounding environment and the individual's circumstances. It can be concluded that perception is a person's view, picture, or assumption about a thing or object. The word halalan comes from Arabic etymologically halal which means free or not bound. This does not only include food and drinks that are consumed in daily human life but also other needs such as medicine, clothing and others (Alim et al., 2018).

Signaling theory is widely found in business management studies because it is often applied specifically in finance, accounting and marketing. This theory is a useful framework for explaining agent behavior in the context of asymmetric information between the parties involved. Consumers will usually judge product quality based on the signals presented by the manufacturer (Wells et al., 2011).

Religiosity

In detail, religiosity is perceived as the degree to which a person relates to his religion and the extent to which religion is displayed in his behavior (Abd Rahman et al., 2015). In other words, religiosity can tell us the level of one's compliance with religious laws (Iranmanesh et al., 2020). Using the theory expressed by Glock (1972), it can affect consumer attitudes towards halal products. Where religiosity is operationally defined has five dimensions: ideological, ritualistic, intellectual, consequential and experimental.

Product Knowledge

Consumer knowledge (customer knowledge) has been defined as a number of experiences with and information about a particular product or service that is owned by a person. With the increasing knowledge of individual consumers, it is possible for these consumers to think about products among a larger number of dimensions and make good distinctions between brands (John C. Mowen and Michael Minor: 2012).

Conceptual Framework and Hypothesis Formation

This research investigates four main constructs consisting of two independent variable (Religiosity and product knowledge) and one dependent variable (customer loyalty). In addition, this study also add one mediating variables (halal perception). For more details, see Figure 1 below:

Figure 1: Research Framework and Hypothesis

The hypotheses of this study are:

- H1: Religiosity has a significant effect on halal perception
- H2: Product knowledge has a significant effect on halal perception
- H3: Halal perception has a significant effect on customer loyalty
- H4: Religious has a significant effect on customer loyalty
- H5: Product knowledge has a significant effect on customer loyalty
- H6: The effect of religiosity on customer loyalty is mediated by halal perception
- H7: The effect of product knowledge on customer loyalty is mediated by halal perception

Research and Methodology

Participants and Data Collection

The sample of this study is Muslim women in Malang City who use halal cosmetic products, which have characteristics that are in accordance with what is needed in the study and can be used as respondents. The number of populations in this study is known with certainty so the sampling technique used is probability sampling technique. This technique is used because researchers can obtain data from respondents who have certain information, according to the characteristics expected by researchers.

Data Analysis

The method of data analysis uses SEM (Structural Equation Modeling) based on Partial Least Square (PLS) that using SmartPLS 3.0 software application.

Measurements

All indicators to measure the four variables were adopted from several previous studies. Indicators of religious variables were adapted from Glock (1972) study which consisted of 5 indicators is ideological, ritualistic, intellectual, consequential and experimental. Product knowledge variables were measured through 3 indicators is knowledge of product components, knowledge of product variant development and knowledge of product usability from Mariadoss, et al (2013). Halal perception variables were measured through 2 indicators is authorized agency verification, country of origin of product and identity of producer from Wells, et al (2011). Customer loyalty variables were measured through 4 indicators is make regular repeat purchases, purchase between product lines and services, refer others, demonstrate immunity to pull from competitors from Ganiyu, et al (2012).

Analysis and Findings

Based on the results of processing respondent data, most of the respondents from this study were working conditions with a percentage of 57.86% with a total of 81 respondents, 18 respondents (12.86%), who attended school, 33 respondents (23.57%), who are looking for work are 7 respondents (5%), and 1 respondent is not working (0.71%).

Based on age, respondents aged less than 25 years with a percentage of 20% with a number of respondents as many as 28 people, ages 25-40 years with a percentage of 76.43%, with a number of respondents as many as 107 people, and ages over 41 years with a percentage of 3.57% with the number of respondents as many as 5 people.

Based on monthly income, respondents in this study who have a monthly expenditure of Rp. 500,000 - Rp. 999,999 as many as 23 people (16.43%), who have a monthly expenditure of Rp. 1.000.000 - Rp. 1,499,999 as many as 23 people (16.43%), who have a monthly expenditure of Rp. 2,000,000 - Rp. 2,499,999 as many as 27 people (19.29%), who have a monthly expenditure of > Rp. 3,000,000 as many as 48 people (34.29%).

Based on the frequency of buying, respondents in this study who have a Purchase Frequency of 3-5 times are 53 people (37.86%), who have a Purchase Frequency of 6-8 are 45 people (32.14%), who have a Purchase Frequency of 9-10 times as many as 15 people (10.71%), who have a Purchase Frequency of more than 10 times as many as 27 people (19.29%).

Table 1: Composite Reliability, Cronbach Alpha, AVE

Variables	Cronbach's Alpha	Composite Reliability	(AVE)
Religiosity	0.949	0.954	0.565
Product Knowledge	0.834	0.89	0.669
Customer Loyalty	0.874	0.913	0.725
Halal Perception	0.836	0.891	0.671

Source: Primary data processed, 2021

Table 1 indicates that the scale, magnitude, and statistical concordance have been accepted. The AVE value for the four constructs is greater than 0.5 so it can be concluded that the evaluation of the measurement model has good discriminant validity.

In addition to the construct validity test, a construct reliability test was also carried out which was measured by the criteria test, namely composite reliability and Cronbach alpha from the indicator block that measured the construct. Constructs are declared reliable if the value of composite reliability and Cronbach's alpha is above 0.70. So, it can be concluded that the construct has good reliability.

Table 2: Goodness of Fit Model

Variables	AVE	R Square
Religiosity	0.565	
Product Knowledge	0.669	
Halal Perception	0.725	0.686
Customer Loyalty	0.671	0.542
Rata – rata	0.6575	0.614

Source: Primary data processed, 2021

The result of the GoF calculation is 0.6354 or 63.54%. This shows that the model obtained is already well used in making predictions. This means that the model has a high ability to explain empirical data.

Table 3: Path Coefficient (Mean, T-Values)

Variables	Original (O)	Sample T (O/STDEV)	P Values	Result
Religiosity -> Halal Perception	0.205	2.651	0.008	Significant
Product Knowledge -> Halal Perception	0.641	11.063	0.000	Significant
Religiosity -> Customer Loyalty	0.199	3.080	0.002	Significant
Product Knowledge -> Customer Loyalty	0.339	3.789	0.000	Significant
Halal Perception -> Customer Loyalty	0.444	4.310	0.000	Significant

Source: Primary data processed, 2021

Based on Table 3, the following results are obtained:

The structural equation obtained is

$$Z = 0,205 X_1 + 0,641 X_2$$

$$Y = 0,199 X_1 + 0,339 X_2 + 0,444$$

To find out the indirect effect of independent variables on Customer Loyalty variables through Halal Perception with Sobel calculations, it can be seen in Table 4 below:

Table 4: Indirect Effect

Variable	Indirect Effect	T Statistics (O/STDEV)	P Values
Religiosity -> Halal Perception -> Customer Loyalty	0.091	2.230	0.026
Product Knowledge -> Halal Perception -> Customer Loyalty	0.285	3.870	0.000

Source: Primary data processed, 2021

Based on Table 3 and Table 4 regarding the results of hypothesis testing, direct and indirect effects were obtained. The results of the first hypothesis testing showed that the relationship between the Religiosity (UGC) variable and Halal Perception (Z) showed a path coefficient value of 0.205 with a t value of 2.651. This value is greater than t table (1.960). These results mean that religiosity has a positive and significant effect on Halal Perception. This means that Hypothesis 1 is accepted. The results of testing the fourth hypothesis show that the relationship between Product knowledge (X2) and Halal Perception (Z) variables shows a path coefficient value of 0.641 with a t-value of 11.063. This value is greater than t table (1.960). These results mean that product knowledge has a positive and significant effect on Halal Perception. This means that Hypothesis 2 is accepted. The results of testing the fifth hypothesis indicate that the relationship between the Halal Perception (Z) variable and Customer Loyalty (Y) shows a path coefficient value of 0.444 with a t-value of 4.310. This value is greater than t table (1.960). These results mean that Halal Perception has a positive and significant influence on Customer Loyalty. It means that Hypothesis 3 is accepted. The results of testing the third hypothesis show that the relationship between the variable Religiosity (X1) and Customer Loyalty (Y) shows a path coefficient value of 0.199 with a t-value of 3.080. This value is smaller than t table (1.960). These results mean that religiosity has a positive and significant influence on customer loyalty. It means that Hypothesis 4 is accepted. The results of testing the fourth hypothesis show that the relationship between Product knowledge (X2) and Customer Loyalty (Y) variables shows a path coefficient value of 0.339 with a t-value of 3.789. This value is greater than t table (1.960). These results mean that product knowledge has a positive and significant influence on customer loyalty. It means that Hypothesis 5 is accepted.

The results of testing the sixth hypothesis indicate that the relationship between the religiosity variable and Customer Loyalty (Y) through Halal Perception shows an indirect path coefficient value of 0.091 with a t-value of 2.230. This value is greater than t table (1.960). These results mean that Halal Perception has a significant influence in mediating Religiosity on Customer Loyalty. It means that Hypothesis 6 is accepted. The results of testing the sixth hypothesis indicate that the relationship between Product knowledge

and Customer Loyalty (Y) variables through Halal Perception shows an indirect path coefficient of 0.285 with a t-value of 3.870. This value is greater than t table (1.960). These results mean that Halal Perception has a significant influence in mediating Product knowledge on Customer Loyalty. It means that Hypothesis 7 is accepted.

Discussions

The Effect of Religion on Halal Perception

Based on the results of the study, it can be seen that religiosity has a positive and significant influence on halal perception. The religious level of halal cosmetic users in Malang is certainly related to the perception of the halalness of this cosmetic product. Users of halal cosmetics in the city of Malang are consumers who adhere to the belief of Islam. Of course, they carry out Islamic law in accordance with His provisions and avoid all His prohibitions. With the obedience possessed by consumers of halal cosmetics in Malang City, they clearly pay attention to detailed product information in considering their use. The information contained in halal products includes the country of origin of the product and details of the identity of the producer. Where the country of origin of this product tends to represent the perception of the contents contained in the cosmetic. Countries with a majority of the population as adherents of Islam certainly pay attention to the content of products with halal ingredients in accordance with market needs. This kind of attention is a form of religious level for halal cosmetic consumers.

In line with the results of the research, in detail religiosity is perceived as the level that a person does to his religion and the extent to which religion is displayed in his behavior (Abd Rahman et al., 2015). In other words, religiosity can tell us the level of one's compliance with religious laws (Iranmanesh et al., 2020). Meanwhile, perception is the process by which individuals select, organize, and interpret stimuli into meaningful and reasonable images of the world (Schiffman and Kanuk, 2018: 137). Halal perception is an impression that has been analyzed, interpreted and evaluated by individuals which results in a meaning that anything labeled as halal is guaranteed to be halal and permitted according to Islamic law (Alim et al., 2019). Consumers consume halal products based on their religious beliefs. A consumer with a high religious level will pay more attention to the halalness of a product (Golnaz, 2010). Halal is a comprehensive quality control from the production process to ready-to-consumer goods carried out in accordance with Islamic aqidah. This research was supported by Nasution et al. (2016) which states that there is an influence between religion on halal perception.

The Effect of Product Knowledge on Halal Perception

Based on the results of the study, it can be seen that product knowledge has a positive and significant influence on halal perception. Halal cosmetic consumers in Malang are already familiar with various halal cosmetic brands. They easily recognize halal cosmetics because they recognize cosmetic information. This information is in the form of verification of halal products by the authorized party in this case is the Indonesian Ulema Council (MUI). Halal cosmetic products that have been declared to have passed the halal test will be labeled halal by the MUI. This label is bright green, so that halal cosmetic products will be easily recognized by consumers.

Understanding consumer knowledge is very important for marketers. The information about what will buy, where to buy, and when to buy will depend on consumer knowledge. Consumer knowledge will influence purchasing decisions and even repeat purchases (Manuarang & Mawardi, 2018). When consumers have more knowledge, they will be better at making decisions, more efficient, more precise in processing information and able to recall information better. Regard to information about halal products. Halal label as useful information to provide confidence to consumers in the purchasing decision-making process (Razzaque & Chaudhry, 2013). Another assertion adds, religion (religion) as a set of beliefs that are taught from an early age and for each individual is committed to understanding his teachings (Shah Alam, Mohd, Hisham, 2011). Religion also affects the sacredness of actions and rituals, the values that shape an individual's emotional experience, cognition and psychological well-being, which in turn, influences the consumption choices made by consumers (De Run et.al, 2010). This research is supported by the research of Said et al. (2014) which states that there is an influence between product knowledge on halal perception.

The Effect of Halal Perception on Customer Loyalty

Based on the results of the research, it can be seen that halal perception has a positive and significant influence on customer loyalty. The attitude of consumers of halal cosmetics in the city of Malang is more positive (confident) towards the product when the product is labeled halal. Halal labels can be used by cosmetic consumers in Malang City to differentiate products. So that it helps consumers to evaluate the product and convince them of the quality of the product to make repeated purchases of the product. This shows how important halal perception is in influencing product purchases for consumers. When cosmetic consumers in Malang City feel that they are suitable for the product used and have the belief that the product is safe according to Islamic law, then consumers in Malang City then make repeat purchases of the same cosmetic product.

Theoretically, halal is part of an integral belief and morality system that Muslims carry in their daily lives as a form of their Islamic identity and a manifestation of spiritual purity (El-Bassiouny, N, 2015). The halal paradigm is something that is main and important to increase awareness among Muslims. This is a dynamic and cyclical process as a final decision that shows areas where the cognitive, affective and conative aspects for Muslims in making decisions to minimize risks for them (Wilson, J & Liu, J, 2011). Religion is something that is the most universal and has an influence on social institutions and has a significant impact on various attitudes, values and behavior of society both at the individual and community level (Mokhlis, 2009). Halal perception of a product will lead

to repeated purchases because consumers have believed in the product which ultimately causes consumers to become loyal to the product. This research is supported by the research of Soleha et al. (2017), Quoquab et al. (2019), Hasib & Anwar (2020) which states that there is an influence between halal perception on customer loyalty.

The Effect of Religion on Customer Loyalty

Based on the results of the research, it can be seen that religiosity has a positive and significant influence on customer loyalty. The religious level of consumers of halal cosmetics in Malang is very high. Consumers of halal cosmetics in Malang City have faith in the truth of religious teachings, especially those that are fundamental and dogmatic, have commitment and obedience to Islam, which is manifested in rituals or worship, have knowledge of Islam, have good behavior according to religious teachings. Islam, and have a feeling of gratitude to Allah SWT. All dimensions possessed by cosmetic consumers in Malang City are related to the attitudes and behaviors shown. One of the implementations is the behavior of repurchasing cosmetic products that are already believed to be halal. In addition to use and reference the product to others.

Religiosity is defined as the extent to which individuals are committed to religion and the teachings in it, including commitments based on religion to their attitudes and behavior (Johnson, B.R et.al, 2000). Religiosity refers to the level / degree that a person has of religious values, beliefs and religious activities in daily life (Worthington, E, et.al, 2003). Religiosity has intra-personal (internal) and inter-personal (external) dimensions that play an important role in the life of a pious person (Mokhlis, S & Sparks.L 2009). The internal dimension state's identity, attitudes, values and religious beliefs that reveal cognitive aspects, while the external dimension emphasizes religious affiliation, worship ritual practices, membership in religious communities that reflect behavioral aspects. These two dimensions have an effect on making repeat purchase decisions, giving rise to customer loyalty (Mukhtar, A & Butt, M, 2012). This research is supported by the research of Suhartono et al. (2019) which states that there is an influence between religion on customer loyalty.

The Effect of Product Knowledge on Customer Loyalty

Based on the results of the study, it can be seen that product knowledge has a positive and significant influence on customer loyalty. Information contained in halal cosmetic products affects consumer repurchase in Malang City. Information on halal cosmetics scattered in Malang City contains product categories, brands, product terminology, product attributes or features, product prices, and product beliefs. So that consumers can easily choose halal products according to the needs of the information submitted. This clarity of information makes consumers sure to make repeated purchases.

This is in line with the three types of consumer knowledge that have been defined by Roy & Cornwell (2004). The first is the purpose of knowledge or improving information about the product class that consumers have stored in long-term memory. The second type is subjective knowledge or consumer perception of what or how much knowledge of the product class. What's interesting here is that there is a huge difference between how much people they think they know and what they actually know, so knowledge is both objective and subjective. John C. Mowen and Michael Minor (2002: 135) define consumer knowledge as a number of experiences and information that a person knows about certain goods or services. Product knowledge is divided into three types according to the expert who divides it. When consumers have more knowledge, they will be better at making decisions, more efficient, more precise in processing information and able to recall information better (Sumarwan, 2003)

According to Nitisusastro (2012) where consumers must really know about the characteristics of a product, if consumers do not know information about the characteristics of a product, they can make wrong decisions. Product knowledge is an important thing that must be communicated by marketers in providing instructions for the products they offer to consumers. Various promotional efforts are carried out by marketers to provide education to consumers, especially in showing the advantages of their products compared to competitors. Lin and Lin (2007) state that consumer product knowledge is based on the level of familiarity with the product. Consumers with higher product knowledge will have better recognition memory, analysis and logical abilities than consumers with low product knowledge, so consumers who think they have higher product knowledge will rely on intrinsic clues in considering product quality because they realize the importance of information about a product.

This research is supported by research by Suprpto & Susanti (2016), Febianto et al. (2020), Alawni et al. (2015), Nurhayati & Hendar (2019) which stated that there was an effect between product knowledge on customer loyalty and was rejected by Mutamman's research (2019) which stated that there was no effect between product knowledge on customer loyalty.

Indirect Effect of Religiosity on Customer Loyalty through Halal Perception

Based on the results of the study, it can be seen that halal perception has a significant influence in mediating religiosity on customer loyalty. Halal perception can be a direct and indirect influence in the relationship between religious influence and product knowledge on customer loyalty. Halal product manufacturers that sell their products to Muslim consumers in Malang City, produce their products based on Islamic values by attracting sales targets to Muslim customers because they fulfill their product needs by sticking to their religious obligations. This halal perception gives the impression to consumers of halal cosmetics in the city of Malang to produce a meaning that anything labeled halal is guaranteed to be halal and is permitted according to Islamic law (Ruslan et al., 2018). This is related to the level of religiosity of consumers of these halal products. In detail, religiosity is perceived as the degree to which a person relates to his religion and the extent to which religion is displayed in his behavior (Abd Rahman et al., 2015). In other words,

religiosity can tell us the level of one's compliance with religious laws (Iranmanesh et al., 2020). Islam considers all aspects of an individual's life to be interdependent both in product acquisition and consumption behavior. Religious Muslims believe they can avoid risks that are contrary to Islamic values (Razzaque & Chaudhry, 2013). Encouragement to minimize risk through their involvement in a product, so that product categories that have low involvement can become commodities that require high involvement (Wilson, J & Liu, J, 2011). Every type of halal product is a safe place to reduce uncertainty or risk. It is also a source of forming a strong engagement for consumers (Borzooei, M & Asgari, M, 2013)

Indirect Effect of Product Knowledge on Customer Loyalty through Halal Perception

Based on the results of the study, it can be seen that halal perception has a significant influence in mediating product knowledge on customer loyalty. Product knowledge is another important thing that must be communicated by marketers in providing instructions for the products they offer to consumers (Nurhayati & Hendar, 2019). Various promotional efforts have also been made by marketers to provide education to consumers of halal cosmetics in Malang, especially in showing product information. Information that is usually conveyed to consumers includes product components, product variant developments, and product uses. Those way consumers can recognize halal cosmetic products well. Halal cosmetics can be well received by consumers, creating a good impression on the product. This impression makes consumers remember and make repeat purchases. Consumers who have made repeated purchases and refer products to others are called loyal consumers. In this case, loyal consumers of halal cosmetic products are Muslim women in the city of Malang. Muslim women certainly do the Islamic religious law well. As a form of obedience, namely by choosing halal cosmetic products that have been certified

Theoretically, according to cognitive psychologists, consumer knowledge is divided into declarative knowledge and procedural knowledge. John C. Mowen and Michael Minor (2002:135), consumer knowledge is differentiated into knowledge of other information. Blackwell et al. (2006) describe knowledge as information that is stored by a person in the memory of his brain, some of this information functions for consumers to recognize the market and this is referred to as consumer knowledge. According to Kumar (2017), it is stated that customer loyalty is formed by attitudinal and behavioral components. Loyalty in the behavioral sense can be described as current behavior towards the product of interest (Wolter, et al 2017). Then, loyalty in the sense of attitude can be interpreted as behavior to act positively towards a product or service (Kumar, 2017).

Pekovic and Rolland (2020) found that loyal customers are attracted to repurchase products even though there are competitive alternatives that can attract and encourage them to try competing products. Allocate large sums of money to the company's product lines and services. Support and promote the company's goods or services to other customers and offer honest feedback regarding the performance of the product/service. According to Wells et al. (2011), the signals differ with respect to their credibility. A signal is considered credible only if the consumer has confidence that the seller has borne the burden of providing certain signals about the product. For example, if the seller has taken all steps to ensure the quality and safety of the product, the seller will be confident and willing to offer a refund and guarantee if the product fails to function as promised.

The market perceives the willingness of manufacturers to offer refunds as a signal that conveys a certain message about product quality, which also means that consumers believe that the manufacturer has taken all steps to ensure product quality. However, the signal is considered not credible if the consumer does not trust the signal submitted by the producer. Signals that are not credible are not expected to be able to influence consumer perceptions (Wells et al. 2011). Thus, there is significant reason to investigate variables, such as country of origin, producer identity, third-party verification and product features, as potential extrinsic cues that may influence consumers' perceptions of halal.

Conclusion

Based on the problems that have been formulated, the results of the analysis and hypothesis testing that have been carried out in the previous chapter, from the research conducted the following conclusions:

- i. Religion can increase halal perception. Halal cosmetic consumers who have a high religious level increase the perception of the halalness of a product. Religious is related to the observance of consumers who clearly pay attention to the details of halal information on cosmetic products in considering their use.
- ii. Product knowledge is able to increase halal perception. Halal cosmetic products that have been declared to have passed the halal test will be labeled halal by the MUI. This label is bright green, so that halal cosmetic products will be easily recognized by consumers. This makes product knowledge very important to improve halal perception.
- iii. Halal perception can increase Customer Loyalty. The attitude of consumers of halal cosmetics in the city of Malang is more positive (confident) towards the product when the product is labeled halal. Halal labels can be used by cosmetic consumers to differentiate products. So that it helps consumers to evaluate the product and convince them of the quality of the product to make repeated purchases of the product. This shows how important halal perception is in influencing product purchases for consumers. When cosmetic consumers feel that they are suitable for the product used and believe that the product is safe according to Islamic law, then consumers in Malang City then make repeat purchases of the same cosmetic product.

- iv. Religion can increase Customer Loyalty. Consumers of halal cosmetics have faith in the truth of religious teachings, especially those that are fundamental and dogmatic, have commitment and obedience to Islam, which are manifested in rituals or worship, have knowledge of Islam, have good behavior according to Islamic teachings, and have a feeling of gratitude to Allah SWT. All dimensions possessed by cosmetic consumers are related to the attitudes and behaviors shown. One of the implementations is the behavior of repurchasing cosmetic products that are already believed to be halal. In addition to use and reference the product to others.
- v. Product knowledge can increase Customer Loyalty. Information contained in halal cosmetic products affects consumer repurchase. Information on halal cosmetics in the market, contains product categories, brands, product terminology, product attributes or features, product prices, and product beliefs. So that consumers can easily choose halal products according to the needs of the information submitted. This clarity of information makes consumers sure to make repeated purchases.
- vi. Halal Perception is included in the variable that partially mediates the relationship between the variable religiosity and product knowledge on customer loyalty, because the variable religiosity and product knowledge have a direct influence on customer loyalty. Halal product manufacturers that sell their products to Muslim consumers, produce their products based on Islamic values by attracting sales targets to Muslim customers because they fulfill their product needs while adhering to their religious obligations. This perception of halal gives the impression to consumers of halal cosmetics to produce a meaning that anything labeled halal is guaranteed to be halal and permitted according to Islamic law. This is related to the level of religiosity of consumers of these halal products. Various promotional efforts have also been made by marketers to provide education to consumers of halal cosmetics, especially in showing product information. Information that is usually conveyed to consumers includes product components, product variant developments, and product uses. Those way consumers can recognize halal cosmetic products well. Halal cosmetics can be well received by consumers, creating a good impression on the product. This impression makes consumers remember and make repeat purchases. Consumers who have made repeated purchases and refer products to others are called loyal consumers. In this case, loyal consumers of halal cosmetic products are Muslim women in the city of Malang. Muslim women certainly do the Islamic religious law well. As a form of obedience, namely by choosing halal cosmetic products that have been certified.

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