

## HALAL CERTIFICATION ON PERANAKAN RESTAURANT: WILL IT CAPTIVATE THE MUSLIM CONSUMERS?

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**Abstract** – *The proliferation of restaurants in the Capital City of Jakarta reflects the current trend of dining out among its citizens. Monthly spending on restaurants has increased over the last three years, even though experiencing a slow growth. Along with this trend, the demand of halal food become one of the considerations among the consumers. Several Peranakan Chinese restaurants which has been granted with halal certification. This indicates the restaurants' strategy to attract the Muslim-majority consumers of Jakarta. However, research on the impact of halal certification on the Muslim consumers' understanding and confidence of its benefits within the restaurant context remain scarce. This study introduce trust into the Theory of Consumption Value to capture the culinary motivation of the Muslim consumers. This study employed quantitative methodology, where 156 questionnaires were distributed on three most favorite Peranakan restaurant in Jakarta. The data collected was analyzed using SmartPLS 3.2.8. The result showed that all hypotheses are accepted except for the mediating role of trust within the relationship between Halal Certification and Patronage Intention. The finding highlights that Halal Certification credibility outweighed the managers' credibility to maintain the halal status of the restaurant. Additionally, the Peranakan cuisine remain the one of the favorite delicacies in Indonesia, specifically among the Muslim consumers, and halal certificate simplify their decision-making in terms of consumption,*

**Keywords:** *Halal Certification; Peranakan Food; Theory of Consumption Value; Indonesia*

### INTRODUCTION

Indonesia provides the biggest market of foodservice on the overall categories among ASEAN countries. In particular, the value growth of restaurants in the country is estimated to reach USD 56 billion by 2019 (Marketeers 2019). This report indicates the growing amount of restaurants, especially on Indonesia's busiest cities, such as Jakarta, Bandung, Surabaya, and Medan. In Jakarta alone, the restaurant growth experienced a fast rate at 12% between 2015 and 2017, which support the forecasted growth by the year of 2019 (Statistics Indonesia 2015a, 2017). Such increase of the restaurant growth is in accordance with the latest consumption trend among the Indonesian citizens. That is, the spending average for prepared food and beverages products are significantly higher compared to other food and beverages categories, such as rice, fish, meat, eggs, and variety of vegetables. Further, over the course of three years (i.e. 2016-2018), the spending on prepared food and beverages products remain stable (Statistics Indonesia 2017).

Following the discussion, it could be inferred that dining-out has become the current consumption pattern among the Indonesians. Among the most-populated Provinces, the highest dining-out spenders are the Jakarta citizens with average monthly spending close to IDR 400.000 (Statistics Indonesia 2015b, 2017). The density of 15.000 people/square kilometers coupled with the demanding nature of urban and busy lifestyle has changed Jakarta citizens' food consumption pattern by switching into a more practical way of eating. Accordingly, more than 70% of restaurant patronage come from the local citizens of Jakarta. Thus, it would be safe to say that more than 70% of Jakarta citizens has opted to dine-out as their food consumption pattern.

On the other hand, health consciousness among Indonesian consumers have increased recently. A balanced dietary intake become the preference for 63% of Indonesian consumers who live in big cities (Mintel Press, 2017). That is, they seek the balance between the personal benefits and societal impact from the food and beverage providers. In particular, positive environmental impact along with personal health benefits become the trending lifestyle. Accordingly, the

consumers become an active seekers of nutrition contents information as well as its origins. To fulfill the trending lifestyle, Indonesian consumers would likely to seek for the following three crucial factors: health and wellness benefits, fresh, natural and/or organic ingredients, and companies known for being environmentally friendly (Nielsen Global Corporate Survey 2015).

It should be noted that Indonesia is a Muslim-majority country which Muslim adherents account for almost 90% of the total population (Statistics Indonesia 2015b). This indicates that the increasing trends, as discussed earlier, are most likely experienced by Muslims. Thus, the current trend of dining-out and healthier food choice are in line with Sharia Law, which are adhered by the Muslims as the code of conduct. As such, the Islamic teaching that regulates Muslims' dietary intake could not be separated from the current trend of Indonesian consumers. In other words, Halal become the prominent aspect in terms of Indonesian consumers' food consumption pattern.

### ***Halal Certification***

Halal is the dietary requirement that are adhered by Muslims. As a religious requirement, the implementation of halal is derived from the Sharia Law, which combined with ISO methodologies of food processing (i.e., GMP and HACCP) (Arif and Sidek 2015). Hence, halal is not limited only to the prohibition of pork, alcohol, and other unlawful elements along the product chain. Instead, halal also complies to the highest standard of hygiene and food safety to ensure the health benefits of food products. Halal also considered to apply the "farm to table" principle, which indicates a strict monitoring system that should be complied by all players in the industry (Van der Spiegel et al. 2012). Currently, BPHJPH is the official Indonesian halal certification body that conduct all halal-related activities (Arsil et al. 2018). Such activities would include conducting a stringent audit and controlling procedures, as well as issuance of halal certification. Accordingly, halal could be considered as a quality certification, granted to any kind of food service establishments. Several criteria that need to be fulfilled in order to be granted with Halal certificate are (Latif et al. 2014): (1) Premises: clean and uncontaminated, only Halal food and beverages are sold, stored and processed, complies with GMP and HACCP; (2) Equipment: should not be contaminated with unlawful elements; (3) Raw materials: use only Halal ingredients, animal-based ingredients should be slaughtered according to Sharia Law and approved by the Halal certification body; (3) Procedures and Documentation: maintain hardcopy of delivery orders, invoices, and recognize foreign Halal logo, documentation of material's genetic origins, inspection will be conducted on a regular basis at all Halal certified premises and suppliers.

Based on the above criteria, a Halal certified restaurant symbolizes quality of the highest standard. In this regard, Halal certification acts as a communication point to inform the consumers about the food and service quality of a restaurant. As a result, consumers' confidence are likely to increase. Thus, halal certification would be relevant to be applied to restaurants that are owned and operated by the non-Muslims. Possessing halal certification would become the appropriate strategy as an enabler to target the Muslim-majority consumers. In particular, Muslim consumers that opted to dine-out and seek for a healthier food choice.

### ***Peranakan Chinese Food***

Chinese people emphasize health on their food intake, which creates a value that last for generations (Yang, Khoo-Lattimore, and Lai 2014). Natural content of ingredients also become the main consideration of Chinese cuisines. When the Chinese go abroad and settle on a particular area, they would bring along such unique value (Khoo-Lattimore, Yang, and Lai 2016). Food is considered as one of culture significance and it is culturally preserved as an effort to maintain the homeland values and tradition (Carrus, Nenci, and Caddeo 2009). Based on such unique value, Chinese food has acknowledged to have a distinct taste, elaborate ways of food process (i.e. preparation, cooking, dan presentation), and, thus, provide a unique experience for consumers from different cultural background (Ma et al. 2011).

Some of the Chinese settlers has altered the ways of processing their food. Such alteration was conducted as an adaptive endeavor toward their surroundings and could be found on South Asian region, particularly at Indonesia, Malaysia, and Singapore (Ng and Karim 2016). The interaction with local communities has a profound impact on how the Chinese food is processed. They adapted the local ingredients to cook their homeland food due to the difficulties to obtain the original ones. Additionally, several cooking techniques from India, Thailand, Dutch, and English were adapted as well (Oh et al. 2019). The result of such food processing and technique hybrid is

the Peranakan cuisine. Although Peranakan adapted many foreign culture elements on its cuisine, its main food symbolism remains Chinese. The Peranakan and Chinese symbolism is apparent on three main tenets: color, linguistic, and physical associations (Oh et al. 2019).

Indonesians are familiar with Peranakan cuisines, and its restaurants have become one of the dining-out favorites. Mainly, Peranakan restaurants are best known for its authenticity and unique experience with classic decorations. Recently, there are several Peranakan restaurants that are granted with Halal certification. The major driver to be halal certified among these Peranakan restaurants are to be able to reach to the Muslim consumers. Further, as Halal certification will become mandatory in the near future, many restaurants registered to the Halal certification scheme as regulated by BPHJPH. However, although Halal regulation is adhered by Muslims, little research has been conducted to evaluate the impact of Halal certification toward Indonesian restaurants' business performance (Zannierah Syed Marzuki, Hall, and Ballantine 2012). In particular, the impact of Halal certification on Peranakan restaurants which operated by a non-Muslim. In accordance with this, there is a call to conduct research on halal food within the restaurant context (Zannierah Syed Marzuki, Hall, and Ballantine 2012). Therefore, in order to fill this gap, the current study aims to evaluate the drivers of the Muslim consumers and their perceived benefits of Halal certification to patron Peranakan Chinese food restaurant. Additionally, trust would also be analyzed as a mediating variable on the current study.

## LITERATURE REVIEW

### *Personal Values*

Values or personal values refer to the people's enduring beliefs on their desired states of modes of behavior (Honkanen, Verplanken, and Olsen 2006). In this regard, values would provide standards relating to people's code of conduct, goals, and evaluations toward an object. Accordingly, personal values would guide people's behavior which are expected to realize their desired states. Theory of Consumption Value (TCV) postulates that consumer behavior would be guided by consumption values, comprising of five prevalent values (Sheth, Newman, and Gross 1991). These values would include functional value, emotional value, social value, epistemic value, and conditional value. Nevertheless, only the most important values would be activated based on a specific situation that is encountered by consumers (Jamrozy and Lawonk 2017). Following this argument, several studies introduced personal values related with food consumption (Choe and Kim 2018; Roustana and Jamshidi 2019). Taste/quality value, health value, and unique cultural experience are the prevalent personal values that are found within the food literatures (Promsivapallop and Kannaovakun 2019). Additionally, since halal is a religious dietary requirement for Muslim consumers, halal certification has been considered as a personal value and coined as halal concern (Awan, Siddiquei, and Haider 2015; Muhamed et al. 2019). As such, food consumption values and halal concern would be employed as the antecedents of Peranakan Chinese food restaurant patronage.

### *Trust*

Essentially, trust is the building block of a relationship when there are uncertainties in the marketplace or workplace settings (Erdem and Swait 1998). Trust is also described as a belief that a partner will perform in a reliable and benevolence way (Ramayah, Lee, and In 2011). Furthermore, trust is defined as the degree of capability and goodwill of a partner in a relationship that would reduce risk perception of a trustor (Kantsperger and Kunz 2010). Taken together, trust could be referred to the willingness to take risk by engaging in a trust relationship with others due to the trustors' vulnerability (lack of control, lack of knowledge. In this sense, trust determines a relationship basis between a trustor and a trustee. Principally, trust contains four main traits: ability, benevolence, integrity and predictability (Akter, D'Ambra, and Ray 2011). Together, these traits become the cognitive foundation to establish trust among the trustors. Furthermore, due to the limited knowledge or controlling ability of the trustors trust is important to reduce risk or uncertainty in a relationship. Specifically, the trust relationship in food studies occurred between consumers and the actors within the food industry or institutions which adhere to a particular standard in food production to ensure the food quality (Chen, 2013; Liang, 2016).

### *Hypotheses Development and Research Framework*

Taste/quality and health value represents the functional aspect of people's personal value related to food consumption (Choe and Kim 2018; Lai, Khoo-Lattimore, and Wang 2019). Functional

values described the utilitarian or physical performance of a product which is considered to be valuable to the consumers (Sheth, Newman, and Gross 1991). Past studies suggest the significant relationship between functional value and patronage intention (Khan and Mohsin 2017; Rahnama 2017). As a Muslim majority country, the Halal status of food products become the main concern for Indonesian consumers. Furthermore, as Peranakan restaurants are owned and operated by non-Muslim, the trust propensity on the restaurant management capability to maintain the Halal status is increasing (Zannierah Syed Marzuki, Hall, and Ballantine 2012). Past studies have confirmed the positive and significant result between functional or taste/quality and health value toward trust (Bailey, Mishra, and Tiarniyu 2016; Jamrozy and Lawonk 2017). Hence, the hypotheses are presented as follow:

**H1: There is a positive and significant relationship between functional food value and patronage intention**

**H2: There is a positive and significant relationship between functional food value and trust.**

Halal certification is considered as an important marker of religious adherence for the Muslim consumers (Aziz and Chok 2013). Additionally, Halal certification also symbolizes the compliance towards health and hygiene methodologies of the highest standards (Latif et al. 2014). Hence, within the food literature, Halal certification is classified as the emotional value of the Muslim consumers (Muhammed et al. 2019). Emotional value describes the evoked feeling when consumers encounter a particular product (Sheth, Newman, and Gross 1991), and found to have significant influence on patronage intention (Jamrozy and Lawonk 2017; Muhammed et al. 2019). Accordingly, the Muslim consumers would seek for assurance on their food consumption in order to maintain their religious beliefs (Verbeke et al. 2013). Similarly, the trust propensity would increase regarding the compliance of the Peranakan restaurants management to maintain the Halal status of its food offerings. Past studies found the significant relationship between emotional value or Halal certification towards trust (Awan, Siddiquei, and Haider 2015; Bailey, Mishra, and Tiarniyu 2016). Therefore, the hypotheses are presented as follow:

**H3: There is a positive and significant relationship between Halal certification and patronage intention.**

**H4: There is a positive and significant relationship between Halal certification and trust.**

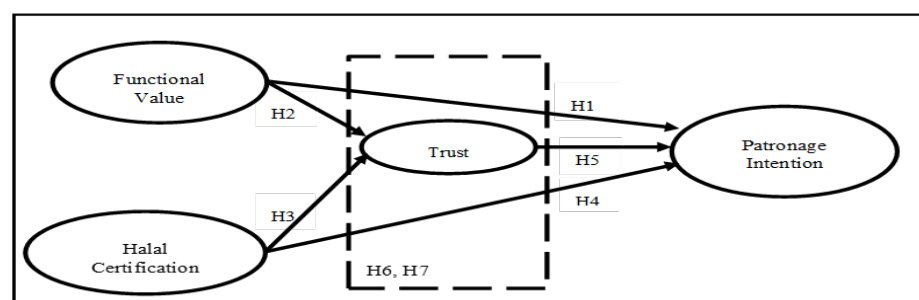
Halal certification become the communication point between the restaurant management and consumers (Tonkin et al., 2015). Consequently, the restaurant management is expected to perform accordingly to manage and control the Authenticity of Halal status (Lassoued and Hobbs., 2015; Lu et al., 2015). As such, trust reflects the beliefs that restaurant management would perform based on their expertise and benevolence (Mayer et al., 1995; Chen, 2013). In addition, the halal logo signifies the credence attribute of halal food which quality would be difficult to detect during and after consumption (Bonne et al., 2008). Following the discussion, trust would significantly impact a stronger patronage intention (Ali et al. 2017; Liang 2016). Trust also found to possess a mediating role within the food studies (Lassoued and Hobbs 2015; Zanolli et al. 2015). Therefore, the hypotheses are presented as follow:

**H5: There is a positive and significant relationship between trust and patronage intention.**

**H6: Trust will mediate the relationship between functional value and patronage intention.**

**H7: Trust will mediate the relationship between Halal certification and patronage intention.**

Based on the hypothesis's development, the research framework for this study is depicted on Figure 1.



## METHODS

### Research Methodology

Based on the study's problem characteristic, the explanation between identified variables are the concern of the study (Sekaran and Bougie, 2016). Following this reasoning, the quantitative methodology would be used to address the problem of this study.

### Research Design

This study would adopt the correlational study to investigate the problem. The first reason is that the current study would examine if the relationship between the variables do exist. Secondly, the existing variables are associated with the problem, which would not lead to a causal relationship (Sekaran and Bougie, 2016). Finally, the variables would not be manipulated as the study is aimed to observe them in a normal condition. Therefore, the correlational study is the most appropriate type of investigation in this study. The measurement items for this study are highlighted on Table 1.

**Table 1. Measurement items**

Variable	Dimension	Indicator
Food Functional Value	Taste/Quality	Peranakan food is delicious
		Peranakan food is visually attractive
		Peranakan food provides good quality ingredients
		Peranakan food provides acceptable level of quality
		Peranakan food provides a variety of ingredients
	Health	Peranakan food provides good nutrition
		Peranakan food is safe to consume
		Herbs used in Peranakan food are good for health
		Peranakan food is hygienic
	Unique Experience	Cultural
Peranakan food is exotic		
Peranakan food gives a cultural experience		
Halal Certification	N/A	Peranakan food is unique
		Reassurance of Halal status
		Effort to buy Halal certified products
		Demand for Halal certified products
		Attract more Muslim consumers
Trust	N/A	Aware the difference between the original and non-original Halal logo
		Trust the restaurant management's commitment to maintain the Halal status
		Trust the restaurant management's promise to maintain the Halal status
		Trust the restaurant management's capability to maintain the Halal status
		Trust the restaurant management's good intentions to maintain the Halal status
Patronage Intention	N/A	Trust the restaurant management's reliability to maintain the Halal status
		High likelihood to eat at Peranakan restaurant
		High willingness to eat at Peranakan restaurant

### Population and Sampling

This study would collect data from Muslim consumers on three Peranakan restaurants: Penang Bistro, Teras Dharmawangsa, and Dapur Babah Elite. These three restaurants already granted with the official Halal certification, thus would provide the ideal location for data collection. These restaurants were determined based on the snowball sampling technique, where the researchers approached the manager of Penang Bistro restaurant. From there, its manager pointed out the other two Peranakan restaurants that are considered to be the favorites among the Jakarta citizens.

### Data Collection Procedure

The data would be collected through questionnaire distribution with 7-point Likert scale. Particularly, this study would apply the self-administered questionnaire to ensure the privacy of the respondents and to reduce the respondents' hesitation when answering the questionnaire. In addition, questionnaire is a sufficient tool for data collection in this study to evaluate the psychological response from the respondents (Sekaran and Bougie, 2016). Based on the sample size calculation using G Power 3 software to meet 80% of predictive accuracy (Faul et al., 2009; Hair Jr et al., 2016), 200 questionnaires would be distributed on three Peranakan restaurants.

### Data analysis

The collected data would be analyzed with SmartPLS version 3.2.8. It is a structural equation modeling (SEM) software which is intended to analyze the significance on each relationship. Due to the variance based on its statistical algorithm, the fit indices is not necessary to be conducted (Hair et al., 2016). Data analysis would be conducted on two steps: (1) outer model, which includes the testing of composite reliability (CR), discriminant and convergent validity, outer loading, and collinearity assessment; (2) structural model, which includes the evaluation of t-value for hypotheses testing, coefficient of determination (R<sup>2</sup>), effect size (f<sup>2</sup>), and predictive relevance (Q<sup>2</sup>). The mediation analysis in this study would follow the bootstrapping and confidence interval criteria (Zhao et al., 2010).

## RESULTS and DISCUSSION

### *Respondents' profile*

Out of 200 distributed questionnaires, there are 156 data set that eligible for further analysis. The majority of the respondents are female (53%), with the range of age between 25-35 years old (38%). The respondents' occupation is mostly within the private sector (42%), with monthly income of Rp. 5.000.000 – 10.000.000 (27%). Lastly, the majority of the respondents are bachelor graduates (51%). All respondents participated are Muslim consumers (100%). Table 6.1. summarizes the respondents' profile.

Demographic Profile		Frequency	Percentage (%)
<b>Gender</b>	Male	74	47
	Female	84	53
<b>Age</b>	Less than 25	19	12
	25 – 35	60	38
	36 – 45	47	30
	46 – 60	28	18
	More than 60	4	3
<b>Occupation</b>	Students	9	6
	Government Sector	35	22
	Private Sector	67	42
	Self-Employed	20	13
	Housewife	27	17
<b>Monthly Income</b>	Below Rp. 2.500.000	17	11
	Rp. 2.500.000 – Rp. 5.000.000	39	25
	Rp. 5.000.000 – Rp. 10.000.000	42	27
	Rp. 10.000.000 – Rp. 15.000.000	22	14
	Above Rp. 15.000.000	38	24
<b>Education Level</b>	Elementary School	22	14
	Diploma	14	9
	Bachelor Degree	80	51
	Master Degree	41	26
	Doctoral Degree	1	1
<b>Religion</b>	Muslim	158	100
	Non-Muslim	0	0

### *Measurement Model Assessment (Outer Model)*

On this stage of analysis, the reliability and validity of the constructs would be evaluated. It was conducted by using the Partial Least Square (PLS) algorithm procedure with 300 iterations. The result revealed that the outer loading values for FFV constructs ranged between 0.636 – 0.777; HC construct ranged between 0.468 – 0.838; TRU constructs ranged between 0.890 – 0.936; and INT construct ranged between 0.718 – 856. All loading values met the cut-off values as specified by Hair et al. (2016), hence there are no items deleted during the assessment.

Meanwhile, the reliability analysis showed that all constructs have met the cut-off values. Both Cronbach's Alpha (lower bound reliability) and composite reliability (upper bound reliability) values are

above the cut-off values of 0.7 (Hair et al., 2016): FFV ( $\alpha = 0.913$ , CR = 0.926); HC ( $\alpha = 0.745$ ; CR = 0.833); TRU ( $\alpha = 0.948$ ; CR = 0.960); and INT ( $\alpha = 0.890$ ; CR = 0.916).

Finally, the convergent validity is assessed by looking at the average variance extracted (AVE) value, which should be greater than 0.5 (Hair et al., 2016). The AVE value of greater than 0.5 indicates that a construct contains its own meaning. The AVE value of FFV construct is 0.511; HC construct is 0.510; TRU construct is 0.828; and INT construct is 0.646. Based on this output, the AVE values for all constructs have met the cut-off value, and thus, possess the adequate level of convergent validity.

Overall, the outer (factor) loading, Cronbach's Alpha, CR, and AVE values are within the acceptable cut-off values. Therefore, deletion of indicators is not necessary to be performed. Table 4.2. summarizes the measurement model evaluation for first-order model.

**Table 4.2. The measurement model evaluation for first-order model**

Construct	Items	Loadings	Cronbach's Alpha	CR	AVE
FFV	FFV1	0.747	0.913	0.926	0.511
	FFV2	0.684			
	FFV3	0.735			
	FFV4	0.777			
	FFV5	0.662			
	FFV6	0.739			
	FFV7	0.751			
	FFV8	0.755			
	FFV9	0.697			
	FFV10	0.692			
	FFV11	0.692			
	FFV12	0.636			
HC	HC1	0.575	0.745	0.833	0.510
	HC2	0.788			
	HC3	0.468			
	HC4	0.822			
	HC5	0.838			
TRU	TRU1	0.903	0.948	0.960	0.828
	TRU2	0.936			
	TRU3	0.924			
	TRU4	0.890			
	TRU5	0.896			
INT	INT1	0.830	0.890	0.916	0.646
	INT2	0.766			
	INT3	0.718			
	INT4	0.793			
	INT5	0.856			
	INT6	0.852			

### **Discriminant Validity**

The next analysis would be conducted to evaluate the discriminant validity for all constructs. Discriminant validity analysis is performed to assess whether each construct carry its own conceptual meaning and different from the other constructs (Hair et al., 2016). Failure to establish the discriminant validity would result to error on further analysis, as redundancy would occur. In this study, discriminant validity is performed through two analysis. First, the Fornell-Larcker criterion is conducted to assess the square root of AVE value on each construct. This analysis requires that all square root of AVE value on each construct that greater than its adjacent values. The Fornell-Larcker criterion analysis revealed that the requirement is met, and all square root of AVE values of each construct that greater than its adjacent values are indicated with bold fonts. Table 6.3. summarizes the result.

**Table 4.3. Discriminant Validity: Fornell-Larcker Criterion**

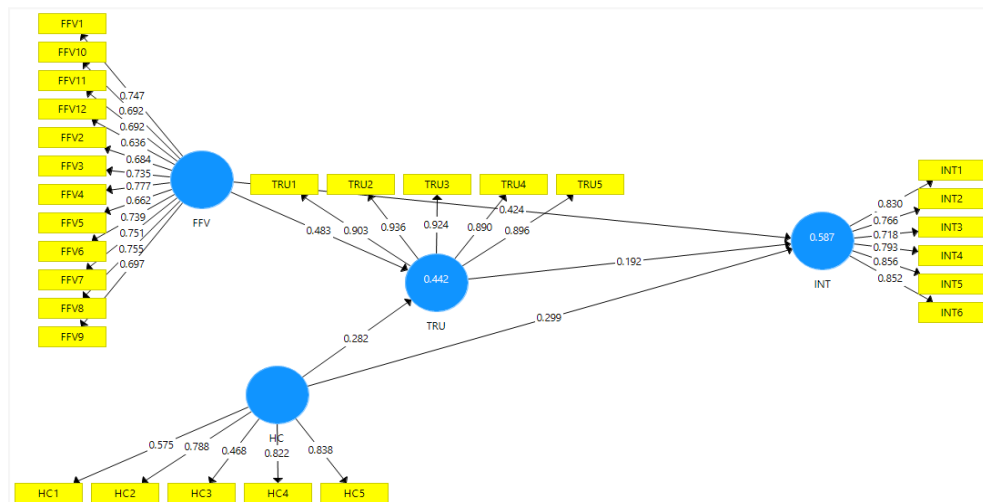
Constructs	FFV	HC	INT	TRU
FFV	<b>0.715</b>			
HC	0.475	<b>0.714</b>		
INT	0.685	0.599	<b>0.804</b>	
TRU	0.617	0.511	0.607	<b>0.910</b>

Second, the discriminant validity is evaluated by using the Heterotrait – Monotrait (HTMT) Ratio (Henseler et al., 2015). HTMT computes the ratio between correlations of items measuring different constructs and correlations of items measuring the same constructs. In addition, HTMT requires that all correlations ratio for all constructs should be below the value of 0.85 (Henseler et al., 2015; Hair et al., 2016). The result of HTMT ratio evaluation revealed that all ratio correlation values are below 0.85, which indicated that discriminant validity for all constructs have met the required value. Table 6.4 summarizes the result.

**Table 4.4. Discriminant Validity: HTMT Ratio**

Constructs	FFV	HC	INT	TRU
<b>FFV</b>				
<b>HC</b>	0.561			
<b>INT</b>	0.753	0.715		
<b>TRU</b>	0.662	0.603	0.658	

Following the result of both Fornell - Larcker criterion and HTMT Ratio, discriminant validity has been established in this study. This indicates that all constructs carry its own meaning and different from each other. Furthermore, there are no indicators necessary to be deleted during the analysis. Therefore, the PLS analysis would proceed to the next stage of analysis: the structural model or the inner model. Figure 4.1. depicts the measurement model performed by the PLS algorithm.



**Collinearity assessment**

Prior to perform the structural model analysis, the collinearity assessment should be conducted (Hair et al., 2016). Collinearity assessment is conducted to ensure to eliminate redundancy on the observed relationships. To this end, the value of variance inflated factors (VIF) on the observed relationships should be below 3. VIF analysis is conducted through the PLS algorithm, and showed that the inner VIF values on the observed relationships are below 3. Therefore, redundancy would not occur on the later stage of the analysis. Table 4.5 summarizes the result.

**Table 4.5. Collinearity Assessment**

Observed Relationships	VIF Values
<b>FFV-&gt;TRU</b>	1.291
<b>HC-&gt;TRU</b>	1.291
<b>TRU-&gt;INT</b>	1.792
<b>FFV-&gt;INT</b>	1.709
<b>HC-&gt;INT</b>	1.434



### Structural Model Assessment (Inner Model)

The structural model assessment would analyze the predictive accuracy of the model developed in this study. Specifically, R<sup>2</sup>, f<sup>2</sup>, and Q<sup>2</sup> would be evaluated as the parameters of the model predictive accuracy. Subsequently, the analysis is followed by the hypotheses testing, on both direct and indirect relationships (i.e. mediation). In this regard, the structural model assessment is performed by using the bootstrapping procedure with 5000 iterations (Hair et al., 2016).

### Predictive model analysis

Predictive model analysis includes R-square (coefficient of determination), f-square (effect size), and Q-square (predictive relevance). R-square represents the overall variance that is caused by the independent variables toward the dependent variable. The values of R-square is within the range of 0.19, 0.33, and 0.67, which represent weak, moderate, and strong, respectively. In this study, the R-square value is 0.587, which indicates that the coefficient of determination falls within the range of moderate to strong. In other words, the independent variables in this study are able to explain 58.7% of variance on the dependent variable. Meanwhile, f-square represents the effect value of a particular independent variable towards a dependent variable (Hair et al., 2016). The range of f<sup>2</sup> values are 0.02, 0.15, and 0.35, which represent weak, medium, and strong effect, respectively. f-square values in this study is found to be ranged between medium to strong effects of the observed relationships. Specifically, FFV->TRU (f<sup>2</sup> = 0.323); HC -> TRU (f<sup>2</sup> = 0.110); FFV -> INT (f<sup>2</sup> = 0.255); HC -> INT (f<sup>2</sup> = 0.151); and TRU -> INT (f<sup>2</sup> = 0.050). Finally, the predictive model analysis would be analyzed through the value of Q-square. Predictive relevance is conducted to assess the predictive ability of the model with the omission of several data. The assessment is performed using the blindfolding procedure to determine the data omission. The blindfolding procedure in the SmartPLS provide the range of data omission (D), with the range between 5 – 12 (Hair et al., 2016). Since the default omission value is 7, this study applied the value on the blindfolding procedure. The Q-square value should be greater than 0 in order the model to be classified to have an adequate predictive relevance. The result of the blindfolding procedure showed that the Q-square is greater than 0 (Q<sup>2</sup> = 0.368). Thus, together with the value of R-square, f-square, and Q-square, the model developed in this study has a sufficient level of predictive ability. Table 6.6 summarizes the result.

Observed Relationships	R Square	f-square	Effect size	Q-square
FFV->INT		0.255	Medium to strong	
HC->INT		0.151	Medium to strong	
TRU->INT	0.587	0.050	Weak to medium	0.368
FFV->TRU		0.323	Medium to strong	
HC->TRU		0.110	Weak to medium	

### Hypotheses testing (direct and indirect relationships)

In terms of direct relationships (i.e. H1 – H5), all hypotheses are supported (FFV->INT,  $\beta=0.424$ ,  $t=5.819$ ,  $p=0.000$ ; HC->INT,  $\beta=0.299$ ,  $t=4.661$ ,  $p=0.000$ ; FFV->TRU,  $\beta=0.483$ ,  $t=7.549$ ,  $p=0.000$ ; HC->TRU,  $\beta=0.282$ ,  $t=4.331$ ,  $p=0.000$ ; TRU->INT,  $\beta=0.192$ ,  $t=2.128$ ,  $p=0.033$ ). On the other hand, the indirect or mediated relationships (i.e. H6 and H7) are determined from the specific indirect effect feature of the bootstrapping result. The result of indirect relationship hypotheses testing revealed that only H6 is supported (FFV->TRU->INT,  $\beta=0.093$ ,  $t=2.060$ ,  $p=0.039$ , CI (LL) =0.000, CI (UL)=0.180; HC->TRU->INT,  $\beta=0.054$ ,  $t=1.807$ ,  $p=0.071$ , CI(LL)=0.000, CI(UL)=0.118). Table 4.9 summarizes the result of hypotheses testing.

**Table 4.9. Hypotheses Testing (direct and indirect relationships)**

Hypotheses	Relationships	Path Coefficient ( $\beta$ )	T Statistics	P Values	CI (LL) 2.5%	CI (UL) 97.5%	Supported
H1	FFV -> INT	0.424	5.819	0.000			Yes
H2	HC -> INT	0.299	4.661	0.000			Yes
H3	FFV -> TRU	0.483	7.549	0.000			Yes

H4	HC -> TRU	0.282	4.331	0.000			Yes
H5	TRU -> INT	0.192	2.128	0.033			Yes
H6	FFV -> TRU -> INT	0.093	2.060	0.039	0.000	0.180	Yes
H7	HC -> TRU -> INT	0.054	1.807	0.071	0.000	0.118	No

## CONCLUSION

The aim of this study is to evaluate the impact of halal certification towards the patronage of Indonesian Muslim consumers to the Peranakan food restaurants. This study employs TCV as the underpinning theory, and introduce trust as the mediating construct, to investigate the Indonesian consumers' personal values for food-related decision-making.

The significant relationship between FFV towards TRU indicates that Indonesian Muslim consumers are familiar with the Peranakan cuisines, and consider them as healthy. Particularly, Indonesian Muslim consumers highly regard the usage of herbs that is beneficial for health. In addition, taste become the main indicator of an acceptable level of food quality. This finding corresponds with the study of Elfrida et al. (2020), which suggested that Peranakan food in the region of Indonesia and Malaysia has been adjusted with local and halal ingredients, to fulfill the demand from the majority Muslim consumers. Thus, the Indonesian Muslim consumers do not see Peranakan food as a foreign cuisine. Rather, they tend to consider the cuisine as part of their culture. Such perception is strengthened by their tendency to trust the Peranakan restaurant management as capable, reliable, and committed in maintaining the halal status of its food products according to the Indonesian halal food regulations.

HC also has a significant relationship toward TRU. This finding reveals that most Indonesian Muslim have a considerable degree of certainty regarding the halal status of the Peranakan food. Similarly, they also consider the Peranakan restaurant management as capable to maintain the halal status of its food products. However, the halal certification concern (HC) among the Indonesian Muslim consumers are not as significant as the Peranakan food's quality, as captured by the FFV construct. This is evident by the insignificant effect of TRU to mediate the relationship between HC and INT. In this regard, several factors might explain such insignificant mediating effect of the TRU construct.

Firstly, the high tendency of Indonesian Muslim consumers to trust the Peranakan restaurant to maintain the halal status accordingly with the Indonesian halal food regulation, might reduce their halal certification concern. This further suggests that the restaurant management's capability, reliability, and commitment to maintain the halal status of Peranakan food simplifies the Indonesian Muslim consumers' decision-making to consume the cuisine. In other words, trust towards the restaurant management to maintain the halal status of Peranakan food has reduced the Indonesian Muslim consumers' emotional value, which in this case, the halal certification concern (i.e. HC).

Secondly, as the result, the functional value (i.e. FFV) would be the dominant factor that guides the Indonesian Muslim consumers to patronize the Peranakan restaurant. This implies that the Indonesian Muslim consumers would consume the Peranakan food conveniently, and enable to focus their attention on the quality characteristics of the Peranakan food such as taste, health, as well as the cultural aspects of the cuisine.

The findings of this study show the importance of the Peranakan restaurants in obtaining the halal certification. Possessing the halal certification might allow the Indonesian Muslim consumers to evaluate the Peranakan restaurants' qualities, which might increase the perceived reputation in the long-term (Quoquab et al., 2019). In addition, the authorized Indonesian halal food certification is considered as the legitimate religious fatwa, whereby decreed by the Indonesian Muslim clerics. In turn, the Indonesian Muslim consumers are abiding to such fatwa in terms of food consumption (Sayogo, 2018).

Furthermore, the possession of the halal certification among these Peranakan restaurants (i.e. Teras Dharmawangsa, Penang Bistro, and Dapur Babah Elite), also made possible as they have more than one restaurant branch (Katuk et al., 2020). It is plausible that these restaurants obtained the halal certification as the response of the increasing Muslim tourists, both domestically and internationally. Accordingly, possessing more than one branch indicates that these restaurants have an established business operation, which enable them to comply with one of the difficult requirements in performing the halal food regulation. That is, implementing the halal logistics and traceability issues (Susanty et al., 2020).

### Suggestions

Halal certification would create a sense of certainty among the Indonesian Muslim consumers, in terms of eating out at Peranakan restaurants. Although Peranakan cuisines originated from Chinese tradition, halal food certification would ensure that the ingredients used in the cooking abide to the Islamic dietary requirements. In addition, the Indonesian Muslim consumers are accustomed to the Peranakan cuisines, since its inception in the early 20th century within the country. Accordingly, Peranakan cuisines earned a prominence on cultural standing for Indonesian consumers, which predominantly abide to the Islamic dietary prescriptions. Following this discussion, apart from three restaurants investigated in this study, other Peranakan food providers that operate their business in Indonesia should obtain the Indonesian halal certificate. The capability of the restaurant managements to maintain the halal status of its food products is perceived to be the important factor by the Indonesian Muslim consumers. Further, it would simplify the Indonesian Muslim consumers' food-related decision-making, and enable them to focus on the quality and cultural aspects of Peranakan cuisines. Such cultural aspects, in turn, would provide an adequate factor to form consumers' experience that is embedded on the Peranakan cuisines.

Apart from the findings revealed from this study, several limitations are worth to be considered for future research. Future studies might investigate the Muslim consumers outside the Jakarta area, or even on different countries, in terms of their perception of halal certified Peranakan restaurants for generalization purposes. It is noticeable that this study only employs two, out of four consumer values constructs, which could be elaborated more by future studies. The model developed in this study might be used on other halal-certified related products outside of the restaurant context. Lastly, due to its cultural significance, future studies might take the study as a foundation and investigate from the tourism perspective, which could enrich the Indonesian gastronomy literatures.

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