The Influence of Halal Label, Product Innovation on Consumer Trust Wardah

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Abstract. The cosmetics industry is currently experiencing rapid growth and increasing consumer interest in cosmetics. However, behind the increasing demand for cosmetics, there are major challenges related to product safety and halalness, especially for Muslim consumers. This encourages Muslim consumers to choose products with halal labels as a guarantee of safety and religious compliance. Product innovation is also one of the considerations for consumers in choosing products. Brands that are able to bring added value to products can create consumer confidence in cosmetic products. This study aims to determine the effect of Halal Label and Product Innovation on Consumer Trust in Wardah cosmetics at the Universitas Islam Bandung. This research was conducted using quantitative methods with descriptive, verification approaches and purposive sampling techniques with questionnaire survey instruments on 150 respondents. To measure the relationship between variables, this data analysis uses multiple linear regression, T-test, F-test, and coefficient of determination. The results of this study indicate that Halal Labeling and Product Innovation have a positive and significant influence on Wardah cosmetics Consumer Trust at Universitas Islam Bandung. This study suggests that Wardah improve information on packaging and increase product innovation in accordance with trends and consumer needs.

Keywords: *Halal Cosmetics Industry, Product Innovation, Consumer Trust.*

Abstrak. Industri kosmetik saat ini mengalami pertumbuhan pesat dan meningkatkan minat konsumen terhadap kosmetik. Namun, di balik meningkatnya permintaan kosmetik, muncul tantangan besar terkait keamanan dan kehalalan produk, khususnya bagi konsumen muslim. Hal ini mendorong konsumen muslim untuk memilih produk dengan label halal sebagai jaminan keamanan dan kepatuhan agama. Inovasi produk juga menjadi salah satu pertimbangan konsumen dalam memilih produk. Merek yang mampu menghadirkan nilai tambah produk dapat menciptakan kepercayaan konsumen terhadap produk kosmetik. Penelitian ini bertujuan untuk mengetahui pengaruh Label Halal dan Inovasi Produk terhadap Kepercayaan Konsumen kosmetik Wardah di Universitas Islam Bandung. Penelitian ini dilakukan dengan metode kuantitatif pendekatan deskriptif, verifikatif dan teknik purposive sampling dengan instrumen survei kuesioner kepada 150 responden. Untuk mengukur hubungan antara variabel, analisis data ini menggunakan regresi linear berganda, uji-T, uji-F, dan koefisien determinasi. Hasil penelitian ini menunjukkan bahwa Label Halal dan Inovasi Produk memiliki pengaruh positif dan signifikan terhadap Kepercayaan Konsumen kosmetik Wardah di Universitas Islam Bandung. Penelitian ini menyarankan agar Wardah meningkatkan informasi pada kemasan dan meningkatkan inovasi produk sesuai dengan tren dan kebutuhan konsumen.

Kata Kunci: *Industri Kosmetik Halal, Inovasi, Kepercayaan Konsumen.*

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A.   Introduction

The rapid development of technology today has brought about many changes in the industrial world. These changes are influenced by various factors, such as demographic, social, cultural, and economic. One sector that has experienced a significant impact is the cosmetics industry (Pratiwi & Falahi, 2023). In Indonesia, consumer interest in cosmetics continues to increase, especially in makeup and skincare products (Kania et al., 2024). This has triggered the emergence of various new brands that are competing to bring innovation, both in terms of formula and packaging. Cosmetics have become an important necessity, especially for women, as a way to boost self-confidence.

However, the increasing demand for cosmetic products also poses challenges, especially regarding product safety and halalness, especially for Muslim consumers. There are still many cosmetic products that use unsafe ingredients, such as excessive amounts of alcohol, gelatin from pigs, mercury, and other ingredients that can harm skin health. (Handayani et al., 2024). In Islam, the use of haram ingredients such as pork gelatin is prohibited because it is harmful to the body and violates the Shari'ah. (Yana, 2023). Therefore, Muslim consumers tend to choose products with halal labels as a guarantee of safety and halalness.

The rise of cosmetic product brands that are not in accordance with Islamic rules is a concern for Muslim consumers in using cosmetic products for daily activities (Asasa, 2023), This concern occurs because Muslim consumers are aware that a good product to use is a product that has a good health guarantee and is in accordance with Islamic law (Ekawaty et al., 2020). Thus, products that have halal label certification have a great market opportunity to grow and become the choice of consumers. (Putri et al., 2023).

According to inkwood, 2023 the halal cosmetics market has a growing demand and revenue every year. Cosmetic companies leading the global halal market today are Amara Cosmetics (California, United States), Inglot (Przemysl, Poland), PHB Ethical Beauty (Inggris), Paragon Techonogy and Innovation (Indonesia). The widely used cosmetic products are Skincare, Facial Care, Eye Care, Lip Care, Body Care, Hair Care. Therefore, halal cosmetics can be an opportunity for cosmetic brands to meet the needs and demands of consumers.

In addition to halal labeling, cosmetic products that innovate in product sustainability and improve product safety are also one of the choices of consumers to have cosmetic products. (Hanifatusa'dah, 2024). Product innovation in the world of cosmetics is very necessary in this day and age, given the number of brands in circulation, increasing competition between brands (Anggraeni & Kojra, 2023). By understanding the various key aspects companies can better customize the type of innovation they will develop (Nofiani & Mursid, 2021).

Wardah, as a pioneer of halal cosmetics in Indonesia, has successfully capitalized on this opportunity (Rustandi et al., 2023). In addition to being a brand that is consistent with halal branding, Wardah also continues to innovate to meet consumer needs. Wardah is not only recognized in Indonesia, but has also started to penetrate the international market, including Malaysia and several other Asian countries (Yulistara, 2019). Wardah's consistency in product innovation, such as creating a Research and Innovation Center, helps the company stay relevant amidst fierce competition (Hartono, 2020).

Wardah is a cosmetic product that has various types of cosmetics needed by Indonesian and foreign consumers. Wardah also has many cosmetic series and various other products for various consumer skin problems, ranging from skincare, cosmetics, to body care with various different series. (Wardah, 2024). Thanks to its consistent product development, Wardah managed to sell more than Rp13.4 billion in 2 weeks, with a total transaction of 381,526 (Compas, 2020).

Based on a review of previous studies, it is found that there are research gaps, namely there are not many researchers who specifically examine the Halal Label and Product Innovation on Consumer Trust. So that researchers are interested in conducting research based on the above phenomenon with the title: **"The Influence of Halal Label and Product Innovation on Consumer Trust in Wardah Cosmetics at Universitas Islam Bandung".** The objectives of this research are:

1. To understand how is the halal label by Wardah cosmetics
2. To understand hos is the innovation on Wardah cosmetics
3. To understand how is the consumer trust on Wardah cosmetics
4. To analyze how halal label affects consumer trust in Wardah cosmetics
5. To analyze how product innovation affect consumer trust in Wardah cosmetics
6. To analyze the influence of halal label and product innovation simultaneously on consumer trust in Wardah cosmetics

B.   Method

This research is a quantitative survey method to collect data from populations and samples. The sampling technique used was purposive sampling, the population in this study were students of the Islamic University of Bandung who used Wardah cosmetics. The sampling technique was purposive sampling with a total of 150 respondents. The data analysis techniques used in this study are descriptive and verification data analysis techniques

C.   Research Results and Discussion

Table 1. Validity Test Halal Label (X1)

No	Validity Coefficient r Count	R Product table Momen α 5	Description
1.	0,724	0,361	Valid
2.	0,783	0,361	Valid
3.	0,793	0,361	Valid
4.	0,767	0,361	Valid
5.	0,796	0,361	Valid

These results show that the 5 question items regarding the Halal Label variable have an r-count value above the r-table (0.361), so all questions are declared valid.

Table 2. Validity Test Product Innovation (X2)

No	Validity Coefficient r Count	R Product table Momen α 5	Description
1.	0,910	0,361	Valid
2.	0,873	0,361	Valid
3.	0,721	0,361	Valid
4.	0,848	0,361	Valid
5.	0,735	0,361	Valid

These results show that the 5 question items regarding the Product Innovation variable have an r-count value above the r-table (0.361), so all questions are declared valid.

Table 3. Validity Test Consumer Trust (Y)

No	Validity Coefficient r Count	R Product table Momen α 5	Description
1.	0,726	0,361	Valid
2.	0,823	0,361	Valid
3.	0,685	0,361	Valid
4.	0,775	0,361	Valid
5.	0,801	0,361	Valid

These results show that the 5 question items regarding the Consumer Trust variable have an r-count value above the r-table (0.361), so all questions are declared valid.

Table 4. Reliability Test

Variabel	Cronbach's Alpha	R Table	Description
Halal Label	0,825	0,60	Reliable
Innovation Product	0,872	0,60	Reliable
Costumer Trust	0,816	0,60	Reliable

It can be seen that the value of Cronbach's Alpha for the results of the questionnaire reliability is above the limit of 0.60 so that it can be concluded that this questionnaire is able to answer questions that represent the actual situation and if the measurement is repeated, the respondents' answers will remain consistent.

Hypothesis Test

Table 5. T-Test (Partial Test)

Coefficientsª

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.941	1.124		5.284	.000
	Label_Halal	.367	.080	.392	4.613	.000
	Inovasi_Produk	.286	.080	.303	3.559	.001

a. Dependent Variable: Kepercayaan_Konsumen

Based on table 4.27, then we can determine T table first in the following way:

$$Ttabel = t\frac{\alpha}{2}; n - k - 1$$

Description:
α = Confidence Level (0.05)
t = Distribution t table
n = Number of Data
k = Number of independent variables
Then Ttable = t (α/2 ; n-2-1)
                = (0,05/2 ; 150-2-1)
                = (0,025 ; 147)
                = 1.976
    Based on the above calculations, it can be seen that:
1. Halal Label (X_1) on Consumer Trust (Y)
    It can be seen that the value of the results of the Halal Label variable Tvalue (X_1) 4.613 > 1.976 Ttable with a probability of 0.000 < 0.05. Therefore, H0 is rejected and Ha is accepted, so it can be concluded that there is a positive and significant influence between the Halal Label (X_1) on Consumer Trust (Y) on Wardah Cosmetics product consumers at the Universitas Islam Bandung partially. The value of Tvalue is positive which indicates that the Halal Label has a positive influence on Consumer Trust. This shows that the higher the Halal Label, the higher the Consumer Trust.
2. Product Innovation (X_2) to Consumer Trust (Y)
    It can be seen that the value of the results of the Product Innovation variable Tvalue (X_2) 3.559 > 1.976 Ttable with a probability of 0.001 <0.05. Therefore, H0 is rejected and Ha is accepted, so it can be concluded that there is a positive and significant influence between Product Innovation (X_2) on Consumer Trust (Y) on Wardah Cosmetics product consumers at the Universitas Islam Bandung partially.

Table 6. F-Test (Simultaneous Test)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	206.362	2	103.181	49.552	.000[b]
	Residual	306.098	147	2.082		
	Total	512.460	149			

a. Dependent Variable: Kepercayaan_Konsumen

b. Predictors: (Constant), Inovasi_Produk, Label_Halal

    Based on table 4.28 above, then we can determine the Ftable first in the following way:

$$Ftable = F (k ; n-k)$$

Description:
n = Number of Samples
k = Number of independent variables
Then Ftable = F (k ; n-k)
                = F (2 ; 150-2)
                = F (2 ; 147)
                = 3.06

Based on the above calculations, it can be seen that:

It can be seen from the table that Fcount> Ftabel, namely 49.552 > 3.06 with a significance value of 0.000 < 0.05, then H_0 is rejected and H_1 is accepted. So it can be concluded that the Halal Label (X_1) and Product Innovation (X_2) simultaneously have a positive and significant effect on Consumer Trust (Y).

D.   Conclusion

Based on result of the study with entitled "The Influence of Halal Label and Product Innovation on Consumer Trust in Wardah Cosmetics at Universitas Islam Bandung", the following conclusion can be drawn:

1. Wardah, a well-known cosmetic brand in Indonesia, leverages its halal label as a key strategy to enhance market appeal, build trust, and demonstrate its commitment to quality, even as some customers may overlook the label in their purchasing decisions.
2. The product innovation carried out by Wardah is considered excellent, as reflected in the positive consumer responses, including the development of innovations that make it easier for consumers to find suitable products without having to visit the store directly.
3. The trust of cosmetics consumers at Universitas Islam Bandung in Wardah is considered strong, supported by halal labeling, positive product innovation, clear information, and the guarantee of halalness in the marketed products.
4. The regression analysis shows a positive and significant relationship between the halal label and product innovation, with a t-value of 5.284 and a significance level of 0.000, emphasizing the importance of the halal label in providing assurance of halal compliance, clarity of information, and building consumer trust in the brand.
5. Product innovation has a positive and significant impact on consumer trust, with a t value of 4.613 and Sig. 0.001, indicating that product innovation is crucial in meeting consumer needs and enhancing satisfaction, which in turn builds trust.
6. Simultaneously, there is a positive and significant influence between the Halal Label and Product Innovation variables on Wardah Cosmetics Consumer Trust at Bandung Islamic University. This can be seen from the results of the F test where the Fcount value is greater than the Ftable value.

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