

THE IMPACT OF HALAL COMPLIANCE ON CONSUMER SATISFACTION IN THE COSMETIC INDUSTRY

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Abstract: This study investigates the impact of halal certification, business legality, and brand image on consumer trust and satisfaction in the cosmetic industry. Focusing on female consumers in Indonesia, the research employs a quantitative approach using purposive random sampling. Data was collected through questionnaires distributed via social media and analyzed using SmartPLS. The findings indicate that halal certification, business legality, and brand image positively influence consumer trust, which in turn significantly affects consumer satisfaction. Moreover, halal certification and brand image directly enhance customer satisfaction, underscoring the importance of these factors in fostering positive consumer perceptions and experiences. This research highlights the critical role of religious compliance, legal adherence, and strong brand identity in building consumer trust and achieving high levels of satisfaction in the competitive cosmetic market. Limitations of the study include its geographical focus on Indonesia and the reliance on self-reported data, suggesting avenues for future research to explore these relationships in different cultural contexts and using diverse methodologies.

Keywords: Halal certification, business legality, brand image, consumer trust, customer satisfaction, cosmetic industry, quantitative research, Indonesia.

INTRODUCTION

The cosmetic industry has seen exponential growth over the past few decades, evolving into a global market driven by innovation and consumer demand for quality and efficacy. Amidst this expansion, there has been a notable shift towards ethical and religiously compliant products, particularly those adhering to halal standards. Halal, an Arabic term meaning "permissible," extends beyond food to include pharmaceuticals, cosmetics, and personal care products, reflecting compliance with Islamic law. As the Muslim population worldwide increases and becomes more affluent, the demand for halal cosmetics has surged, prompting industry players to align their products with halal certification standards (Bashir, 2019). Cosmetics are categorized as halal if the ingredients do not contain any traces of alcohol, porcine by-products and their derivatives, nor other prohibited materials according to Islamic guidelines.

The significance of halal compliance in the cosmetic industry is multifaceted. It encompasses not only the ingredients used but also the entire production process, from

sourcing to manufacturing, ensuring no cross-contamination with non-halal substances. The concept of halal in cosmetics is rooted in purity, safety, and ethical integrity, which resonate with both Muslim and non-Muslim consumers who are increasingly concerned about the origins and safety of the products they use (Wilson & Liu, 2011).

This research aims to explore the impact of halal compliance on consumer satisfaction within the cosmetic industry, focusing on three primary variables: halal certification, business legality, and brand image. Each of these factors plays a crucial role in shaping consumer trust and, ultimately, satisfaction. Understanding these dynamics can provide valuable insights for cosmetic companies striving to meet the evolving demands of a diverse consumer base.

Halal certification serves as a testament to a product's compliance with Islamic law, offering assurance to consumers about the permissibility and ethical standards of the cosmetics they purchase. This certification is not merely a label but a rigorous process involving the examination of all ingredients, production methods, and storage conditions to ensure they

meet strict halal guidelines (Ali et al., 2016). The credibility of the certifying body is also paramount, as reputable certifications from recognized authorities significantly influence consumer trust (Bonne & Verbeke, 2008)

Studies have shown that halal certification can enhance the perceived quality and safety of cosmetic products, thereby increasing consumer trust and satisfaction. For many Muslim consumers, the presence of a halal certificate is a decisive factor in their purchasing decisions, providing them with peace of mind and confidence in the product's adherence to their religious beliefs (Golnaz et al., 2010). Furthermore, the growing awareness and acceptance of halal products among non-Muslim consumers, who associate halal with high standards of hygiene and ethical practices, underscore the broader appeal of halal-certified cosmetics (Aoun & Tournois, 2015). This is why Ishak et al. (2020) called for more research focusing specifically on halal cosmetic products among Muslim consumers.

Legal compliance in business operations is a fundamental aspect that influences consumer trust. In the context of halal cosmetics, this includes adherence to local and international regulations governing product safety, labeling, and marketing. Ensuring legal compliance not only protects companies from potential legal repercussions but also reinforces their commitment to ethical business practices (Tieman, 2015). Consumers are more likely to trust and remain loyal to brands that operate transparently and comply with all legal standards, as this reflects reliability and integrity.

The role of legality extends to the certification process itself, where compliance with halal standards must align with regulatory requirements in different markets. This intersection of halal certification and legal compliance further strengthens the credibility of the brand and its products, fostering greater consumer confidence (Rezai et al., 2012). Brands that navigate these complexities effectively can enhance their reputation and build a solid foundation of trust among their consumers.

Brand image is a critical determinant of consumer behavior and satisfaction, particularly in the highly competitive cosmetic industry. A strong, positive brand image can differentiate a company from its competitors

and create lasting customer loyalty. For halal cosmetics, the brand image is intricately linked to perceptions of ethical integrity, quality, and religious adherence (Mohd Azam, 2019). Consumers tend to gravitate towards brands that consistently deliver on their promises of halal compliance, as this reflects a broader commitment to ethical values and consumer well-being.

A positive brand image is cultivated through various channels, including marketing communications, product performance, and consumer experiences. Companies that effectively communicate their halal credentials and demonstrate transparency in their operations can significantly enhance their brand image. This, in turn, boosts consumer trust and satisfaction, as consumers feel reassured that the brand aligns with their values and expectations (Hanzaee & Ramezani, 2011).

The interplay between halal certification, business legality, and brand image creates a robust framework that influences consumer trust. Trust, in this context, is defined as the belief in the reliability and integrity of the cosmetic products and the brand. When consumers perceive that a brand adheres to halal standards, complies with legal requirements, and maintains a positive image, their trust in the brand is significantly strengthened (Mukhtar & Butt, 2012).

Trust serves as a crucial mediator between these variables and consumer satisfaction. Satisfied consumers are likely to exhibit higher levels of loyalty, positive word-of-mouth, and repeat purchases. This satisfaction is derived from the assurance that the products they use are safe, ethical, and in alignment with their religious beliefs (Lada et al., 2009). Furthermore, the psychological comfort and peace of mind associated with using halal-certified cosmetics contribute to an enhanced overall consumer experience (Hussain et al., 2016).

In conclusion, the impact of halal compliance on consumer satisfaction in the cosmetic industry is profound and multifaceted. By examining the roles of halal certification, business legality, and brand image, this research aims to provide a comprehensive understanding of how these factors interact to build consumer trust and drive satisfaction. As the demand for halal cosmetics continues to grow, insights from this study can guide

industry stakeholders in developing strategies that cater to the needs and expectations of a diverse consumer base, ultimately fostering a more inclusive and ethical market landscape..

CONCEPTUAL FRAMEWORK

Halal Certification

Halal certification is a process that ensures products comply with Islamic dietary laws. This certification covers various aspects, including the sourcing of ingredients, production processes, and handling and packaging practices. Halal certification is particularly significant in the cosmetics industry, where consumers are increasingly concerned about the ethical and religious compliance of the products they use. According to Ali et al. (2016), halal certification guarantees that a product is free from any components prohibited for Muslims according to Sharia law. This rigorous certification process provides consumers with a sense of security and trust in the products they purchase.

Research by Bonne and Verbeke (2008) highlights that halal certification can significantly influence consumer purchasing decisions, particularly among Muslim consumers who consider religious compliance a critical factor in their buying behavior. Halal certification reassures consumers about the safety, quality, and ethical standards of products. For consumers who prioritize halal products, certification enhances their satisfaction by meeting their specific needs and expectations (Golnaz et al., 2010). The assurance provided by halal certification can lead to higher satisfaction levels among consumers.

Furthermore, Golnaz et al. (2010) found that the presence of halal certification can enhance the perceived quality and safety of products, thereby increasing consumer confidence and trust. Halal certification assures consumers that products comply with Islamic dietary laws and are free from any forbidden (haram) components. This certification serves as a significant trust factor, particularly for Muslim consumers who prioritize halal products for religious reasons. Studies indicate that halal certification enhances consumers' perceptions of product quality and safety, which in turn boosts their trust in the brand (Tieman, 2015; Golnaz et al., 2010). Thus, it is hypothesized

that:

H₁: Halal certification positively influences consumer trust.

H₇: Halal Certification Positively Influences Consumer Satisfaction

Business Legality

Legal compliance in business operations is essential for maintaining consumer trust and protecting a company's reputation. In the context of halal cosmetics, this includes adhering to local and international regulations regarding product safety, labeling, and marketing. Tieman (2015) emphasizes that ensuring legal compliance is crucial for companies to avoid legal repercussions and demonstrate their commitment to ethical business practices. Consumers are more likely to trust brands that operate transparently and comply with all relevant legal standards.

Rezai et al. (2012) note that the intersection of halal certification and legal compliance further strengthens a brand's credibility. When companies effectively navigate the complexities of legal regulations and halal standards, they can build a strong foundation of trust among their consumers. This compliance not only enhances the brand's reputation but also reassures consumers that the products they are using meet both religious and safety standards. Business legality refers to a company's adherence to laws and regulations, which include fair business practices, product safety standards, and ethical behavior. Compliance with these legal standards ensures that businesses operate transparently and responsibly, fostering consumer trust (Sirdeshmukh et al., 2002). When consumers perceive a brand as legally compliant, they are more likely to trust its products and services. Thus, it is hypothesized that:

H₂: Business legality positively influences consumer trust.

H₄: Business legality positively influences brand image.

H₈: Business legality positively influences consumer satisfaction.

Brand Image

Brand image is a critical factor influencing consumer behavior and satisfaction, particularly in the cosmetic industry. A positive brand image can differentiate a company from

its competitors and create lasting customer loyalty. Mohd Azam (2019) points out that for halal cosmetics, the brand image is closely tied to perceptions of ethical integrity, quality, and religious adherence. Consumers tend to favor brands that consistently deliver on their promises of halal compliance, as this reflects a broader commitment to ethical values and consumer well-being.

Hanzaee and Ramezani (2011) argue that a strong brand image is cultivated through effective marketing communications, high product performance, and positive consumer experiences. Brands that successfully communicate their halal credentials and demonstrate transparency in their operations can significantly enhance their image. This, in turn, boosts consumer trust and satisfaction, as consumers feel reassured that the brand aligns with their values and expectations. A strong brand image can significantly enhance consumer satisfaction. When consumers perceive a brand positively, they are more likely to have higher expectations and greater satisfaction with its products or services. A favorable brand image contributes to positive consumer experiences and loyalty (Keller, 1993).

Halal certification can significantly enhance a brand's image by associating it with qualities such as purity, safety, and ethical compliance. Consumers who value halal certification often perceive certified brands as more trustworthy and credible, which positively influences their overall brand image (Golnaz et al., 2010; Tieman, 2015). Thus, it is hypothesized that:

H₃: Halal certification positively influences brand image.

H₆: Brand Image positively influences Consumer Satisfaction

Trust

Trust is a fundamental component of the consumer-brand relationship, especially in the context of halal cosmetics. Trust is defined as the belief in the reliability and integrity of a product and the brand that offers it. Mukhtar and Butt (2012) emphasize that consumer trust is significantly strengthened when they perceive that a brand adheres to halal standards, complies with legal requirements, and maintains a positive brand image.

Trust serves as a mediator between halal

certification, business legality, brand image, and consumer satisfaction. When consumers trust a brand, they are more likely to exhibit higher levels of loyalty, positive word-of-mouth, and repeat purchases. Lada et al. (2009) found that trust derived from halal certification and ethical business practices contributes to higher consumer satisfaction and loyalty. Consumer trust is a crucial determinant of consumer satisfaction. When consumers trust a brand, they are more likely to be satisfied with its products and services. Trust reduces the perceived risk associated with a purchase and increases the likelihood of positive post-purchase experiences, leading to higher satisfaction levels (Chaudhuri & Holbrook, 2001). Thus, it is hypothesized that:

H₅: Consumer trust positively influences consumer satisfaction.

Satisfaction

Consumer satisfaction is a measure of how well a product or service meets or exceeds consumer expectations. In the context of halal cosmetics, satisfaction is derived from the assurance that the products are safe, ethical, and compliant with religious beliefs. Hussain et al. (2016) suggest that consumer satisfaction is influenced by various factors, including product quality, brand trust, and perceived value.

Research by Golnaz et al. (2010) indicates that halal certification plays a significant role in enhancing consumer satisfaction by providing assurance of product quality and compliance with religious standards. Moreover, Mohd Azam (2019) highlights that a positive brand image and trust in the brand contribute to higher levels of consumer satisfaction. Satisfied consumers are more likely to exhibit loyalty, positive word-of-mouth, and a willingness to repurchase products from the same brand.

METHODOLOGY

This study adopts a quantitative research design to investigate the impact of halal compliance on consumer satisfaction in the cosmetic industry. The focus is on understanding how halal certification, business legality, and brand image influence consumer trust and satisfaction among women in Indonesia who use cosmetics. The sample size for this study is determined based on the requirements for Partial Least Squares

Structural Equation Modeling (PLS-SEM) analysis using SmartPLS. A general rule of thumb is to have a minimum of 10 times the number of items for the most complex construct in the model (Barclay, Higgins, & Thompson, 1995). Given the complexity of the model and the constructs involved (Hair et al., 2011), a sample size of at least 200 respondents is deemed sufficient.

Measurement

To measure the impact of halal certification, business legality, and brand image on consumer trust and satisfaction in the cosmetic industry, we use specific indicators for each variable. These indicators are designed to capture the essence of each construct and are validated through previous research. The measurement scales for each indicator are typically Likert scales ranging from 1 (strongly disagree) to 5 (strongly agree).

Table 1. Measurement

Variable	Measurement	Source
Halal Certification	The brand complies with halal standart	Golnaz, R., Zainalabidin, M., Mad Nasir, S., & Eddie Chiew, F. C. (2010).
	I am aware that this brand is halal-certified	
	Using halal-certified products ensures safety and purity	
	I trust the certifying body of this brand’s halal certification.	
Business Legality	The brand complies with all industry regulations.	Sirdeshmukh, 2002
	The brand engages in ethical business practices	
	The brand is transparent about its business practices	
	I am aware that this brand has the necessary legal certifications	
Brand Image	The products of this brand are of high quality	Keller (1993) and Hanaeze & Andevazh (2012)
	I feel a strong emotional connection to this brand	
	I find this brand to be trustworthy	
	This brand is committed to ethical and social responsibilities	

Variable	Measurement	Source
Customer Trust	I have confidence in the reliability and integrity of this brand.	Sirdeshmukh, D., Singh, J., & Sabol, B. (2002)
	I trust this brand’s products to perform as expected.	
	I believe this brand’s products are safe to use.	
	I am likely to continue purchasing from this brand	
Satisfaction	I am satisfied with this brand and its products	Oliver (1997) and Suki (2015)
	I am likely to repurchase products from this brand.	
	I would recommend this brand to others.	
	This brand meets or exceeds my expectations.	

RESULTS AND DISCUSSION

Demographic Analysis of Respondents

The demographic analysis provides insights into the characteristics of the respondents who participated in the study on the impact of halal certification, business legality, and brand image on consumer trust and satisfaction in the cosmetic industry. The analysis covers key demographic variables including age, education level, income, and geographical location.

Table 2. Age Distribution

Age	Total	Percentage
18 – 24 Years	120	60%
25 – 34 Years	72	37%
35 – 44 Years	8	3%
Total	200	100%

Most respondents (60%) are aged between 18-24 years. The predominance of younger respondents (18-24 years) suggests that this demographic is particularly active in the cosmetic market. This group is likely more attuned to trends and innovations in cosmetics and may have a higher influence on market

dynamics.

Table 3. Education Level

Age	Total	Percentage
High School or Equivalent	52	26%
Diploma	12	10,5%
Bachelor's	115	57,5%
Master's Degree or Higher	21	6%
Total	200	100%

Most of the respondents with (57,5%) having a bachelor's degree. The bachelor's among respondents indicates that they are likely well-informed about cosmetic products and brand attributes such as halal certification and business legality. This demographic might also be more critical and selective about the products they use.

Table 4. Income Level (Monthly)

Age	Total	Percentage
1.000.000 – 3.000.000	85	42,5%
3.000.000 – 5.000.000	102	51%
5.000.000 – 7.000.000	9	4,5%
> 7.000.000	4	2%
Total	200	100%

A significant portion of respondents (51%) have a monthly income ranging from IDR 3 – 5 million. The income distribution shows that a significant proportion of respondents have moderate to high purchasing power. This financial capability allows them to prioritize factors like brand image, quality, and ethical standards in their purchase.

Results

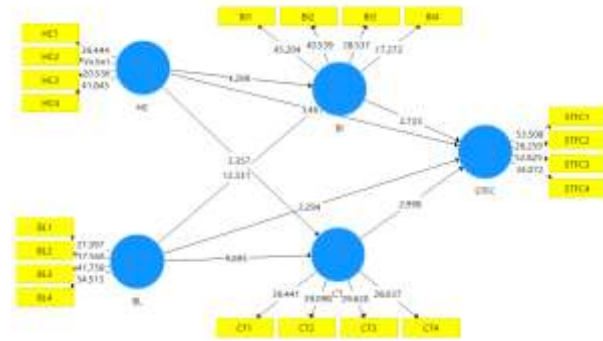


Figure 1. Output SmartPLS

To verify the study findings, hypothesis testing involves testing a direct effect. The sign (>) It indicates the way one variable affects another. The subsequent results are the outcomes derived from testing the hypotheses:

Table 5 Hypothesis

Variable	Original Sample (o)	P-Values
H1: Halal certification positively influences consumer trust.	0.567	0.003
H2: Business legality positively influences consumer trust.	0.572	0.003
H3: Halal certification positively influence brand image	0.788	0.002
H4: Business Legality positively influences brand image	0.800	0.000
H5: Consumer trust positively influences consumer satisfaction.	0.803	0.001
H6: Brand image positively influences consumer	0.611	0.003



Variable	Original Sample (o)	P-Values
satisfaction.		
H7: Halal certification positively influences consumer satisfaction.	0.680	0.002
H8: Business legality positively influences consumer satisfaction.	0.893	0.000

Discussion

H1: Halal Certification Positively Influences Consumer Trust

Halal certification provides consumers with assurance that products adhere to Islamic dietary laws and ethical standards. This certification serves as a credible signal of quality and compliance with religious requirements, which can significantly enhance consumer trust. When consumers see a halal certification, they are reassured that the product has undergone rigorous checks and balances, leading to increased trust in the brand and its products (Bonne & Verbeke, 2008; Ali et al., 2016). This trust is crucial, especially for Muslim consumers who prioritize religious adherence in their purchasing decisions.

Halal certification ensures that cosmetic products are free from prohibited substances and that they are produced, processed, and stored in accordance with Islamic laws. This compliance is not only about the ingredients but also about the entire production process, including hygiene, handling, and packaging. Ali et al. (2016) highlight that halal certification offers a guarantee of religious adherence, which is vital for Muslim consumers. This assurance leads to higher levels of trust as consumers believe that certified products meet their religious and ethical standards. For Muslim consumers, using halal-certified cosmetics is not only about personal use but also about adhering to their faith and values. The ethical integrity provided by halal certification aligns with the religious beliefs of Muslim consumers, making them more likely to trust products that carry this certification. Golnaz et al. (2010)

suggest that the ethical dimension of halal certification, which includes humane and environmentally friendly practices, further strengthens consumer trust. Empirical studies have shown that halal certification positively influences consumer trust in various contexts, including the cosmetic industry. For instance, a study by Mukhtar and Butt (2012) found that halal certification is a significant predictor of consumer trust among Muslim consumers. The study indicates that consumers are more likely to trust and purchase products from brands that are halal certified because they align with their religious beliefs and provide a sense of security.

H2: Business Legality Positively Influences Consumer Trust

Legal compliance of businesses, including adherence to local and international regulations, ensures that products are safe, properly labeled, and ethically marketed. Consumers tend to trust brands that operate within the legal framework because it signifies reliability and ethical business practices. Legal compliance also protects consumers from fraudulent and harmful products, thereby fostering trust in the brand (Tieman, 2015; Rezai et al., 2012). Legal compliance in the cosmetic industry involves adhering to regulations that ensure the safety and quality of products. When businesses comply with these legal standards, they demonstrate their commitment to producing safe and effective products, which is crucial for gaining consumer trust. According to Tieman (2015), adherence to legal regulations provides a layer of assurance to consumers that the products they are using have been thoroughly tested and are safe for use. This assurance is particularly important in the cosmetic industry, where consumers are highly concerned about the safety and efficacy of products applied to their skin. Tieman (2015) notes that risk reduction through legal compliance is a fundamental aspect of building consumer trust, as it ensures consistent product quality and reliability. Empirical studies support the positive impact of business legality on consumer trust. For instance, a study by Rezai et al. (2012) found that consumers are more likely to trust companies that demonstrate legal compliance and ethical business practices. The research highlights that legal compliance is a critical factor in consumer decision-making, particularly in industries where product safety

and ethical practices are paramount.

H3: Halal Certification Positively Influences Brand Image

Halal certification can significantly enhance a brand's image, particularly in markets with a substantial Muslim population. This certification assures consumers that the products comply with Islamic dietary laws and ethical standards, thereby bolstering the brand's reputation for quality, safety, and integrity. In a competitive market, halal certification can differentiate a brand from its competitors. It provides a unique selling proposition that appeals to Muslim consumers and those who perceive halal products as cleaner and more hygienic. This differentiation can enhance the brand image by positioning it as a provider of high-quality, ethically produced products. According to Tieman (2015), halal certification serves as a strategic tool for market differentiation, positively influencing brand image.

Empirical studies support the positive impact of halal certification on brand image. For example, a study by Souiden and Jabeur (2015) found that halal certification significantly enhances the brand image among Muslim consumers by ensuring compliance with religious and ethical standards. The research indicates that halal certification positively influences consumers' perceptions of the brand's quality, reliability, and ethical standards, thereby enhancing its overall image.

H4: Business Legality Positively Influences Brand Image

Business legality significantly impacts brand image by ensuring compliance with laws and regulations, which enhances the perception of the brand's reliability, ethical standards, and overall trustworthiness. In the cosmetic industry, adherence to legal standards reassures consumers about product safety, ethical practices, and corporate integrity, thus positively influencing the brand image. When a business complies with legal requirements, it sends a strong message to consumers about its commitment to reliability and ethical conduct. This compliance indicates that the company adheres to industry standards, which can enhance consumer confidence and positively affect the brand image. According to Sirdeshmukh, Singh, and Sabol (2002),

compliance with legal and regulatory standards builds consumer trust and positively impacts the brand image by showcasing the brand's reliability.

Legal compliance requires businesses to be transparent and accountable in their operations. This transparency helps in building a positive brand image as consumers appreciate brands that are open about their practices and adhere to regulations. Transparent business practices enforced through legal compliance foster a trustworthy brand image, as noted by Rezai et al. (2012), who emphasize that transparency and accountability are key to enhancing consumer perceptions of a brand. Empirical studies support the positive impact of business legality on brand image. For instance, a study by Suki and Suki (2015) found that legal compliance in product safety and labeling significantly influences consumer perceptions and satisfaction, thereby enhancing the brand image in the cosmetic industry. The research indicates that adherence to legal standards positively affects how consumers perceive the brand's reliability and ethical standards, which in turn improves the overall brand image.

H5: Consumer Trust Positively Influences Consumer Satisfaction

Consumer trust is a key determinant of satisfaction. When consumers trust a brand, they are more likely to have positive expectations and experiences with its products. Trust reduces perceived risk and enhances the overall consumer experience, leading to higher satisfaction levels (Lada et al., 2009; Mukhtar & Butt, 2012). Trust acts as a foundation for a strong consumer-brand relationship, which is crucial for achieving and maintaining high levels of consumer satisfaction. Empirical studies consistently demonstrate the positive impact of customer trust on satisfaction. For instance, a study by Mukhtar and Butt (2012) found that trust significantly influences satisfaction among consumers of halal products, including cosmetics. The research indicates that when customers trust a brand, their satisfaction with its products and services increases, leading to higher levels of loyalty and positive brand perceptions.

Customer trust is a crucial determinant of customer satisfaction in the cosmetic industry. By reducing perceived risk, ensuring consistent

quality, providing emotional comfort, fostering positive word-of-mouth, and encouraging loyalty, trust enhances overall customer satisfaction. Brands that successfully build and maintain customer trust can achieve higher satisfaction levels, leading to greater customer loyalty and sustained success in the competitive cosmetic market.

H6: Brand Image Positively Influences Consumer Satisfaction

A strong and positive brand image can significantly enhance consumer satisfaction. When consumers perceive a brand positively, they are more likely to have favorable experiences with its products. A positive brand image reflects quality, reliability, and ethical standards, which contribute to higher satisfaction levels (Hanzaee & Ramezani, 2011; Mohd Azam, 2019). Brands that successfully build and maintain a strong image can foster greater consumer satisfaction through consistent delivery of value and positive experiences.

Brands that evoke positive emotions and connect with consumers on a personal level tend to achieve higher customer satisfaction. Emotional branding can create a sense of attachment and loyalty to the brand, making consumers more satisfied with their purchases. In the cosmetic industry, where products often play a role in personal care and self-expression, emotional connections can significantly enhance satisfaction. Hanzaee and Andervazh (2012) found that emotional attachment to a brand increases customer satisfaction and loyalty. Empirical studies support the positive impact of brand image on customer satisfaction. For example, a study by Hanzaee and Andervazh (2012) found that brand image significantly affects consumer satisfaction and loyalty in the cosmetic industry. The research indicates that a positive brand image, built through consistent quality, emotional connection, and strong reputation, leads to higher levels of customer satisfaction.

H7: Halal Certification Positively Influences Consumer Satisfaction

Halal certification not only builds trust but also directly impacts consumer satisfaction by ensuring that products meet religious and ethical standards. For Muslim consumers, the assurance that a product is halal-certified

enhances their satisfaction as it aligns with their beliefs and values (Golnaz et al., 2010; Hussain et al., 2016). The peace of mind and confidence derived from using halal-certified products contribute significantly to overall consumer satisfaction. Halal certification meets the specific needs of Muslim consumers, but it also appeals to non-Muslims who perceive halal products as clean, safe, and of high quality. This broad appeal can enhance customer satisfaction across a diverse consumer base. For example, Latiff et al. (2013) found that both Muslim and non-Muslim consumers showed a preference for halal-certified products due to their perceived higher quality, which led to greater satisfaction.

Empirical studies support the positive impact of halal certification on customer satisfaction. For instance, a study by Bashir (2019) found that halal certification positively influences customer satisfaction in the food industry, a finding that can be extended to the cosmetic industry due to similar consumer concerns about quality, safety, and ethical standards. The research indicates that halal certification not only meets religious requirements but also enhances overall product satisfaction.

H8: Business Legality Positively Influences Consumer Satisfaction

When a business operates legally and adheres to regulatory standards, it ensures product safety and quality, which directly impacts consumer satisfaction. Legal compliance minimizes the risk of harmful products and fraudulent practices, providing consumers with reliable and safe products (Rezai et al., 2012; Tieman, 2015). Consumers are more likely to be satisfied with products from brands that demonstrate a commitment to legal and ethical business practices.

Empirical studies support the positive impact of business legality on customer satisfaction. For instance, a study by Suki and Suki (2015) found that legal compliance in product labeling and safety standards significantly influences consumer satisfaction in the cosmetic industry. The research indicates that when companies adhere to legal standards, it positively impacts consumer perceptions and satisfaction with the products.

CONCLUSION

This study explored the impact of halal compliance on consumer satisfaction in the cosmetic industry, focusing on the variables of halal certification, business legality, and brand image, and their influence on consumer trust and satisfaction among women in Indonesia who use cosmetics. The findings indicate that:

1. **Halal Certification:** Positively influences both consumer trust and satisfaction. Halal certification assures consumers of the religious compliance and ethical integrity of cosmetic products, significantly enhancing their trust and satisfaction.
2. **Business Legality:** Positively affects brand image, consumer trust and satisfaction. Adherence to legal standards ensures product safety and reliability, which are crucial for gaining consumer trust and achieving high levels of satisfaction.
3. **Brand Image:** Positively influences customer satisfaction. A strong and positive brand image, reflecting quality and ethical standards, leads to greater consumer trust and satisfaction.
4. **Consumer Trust:** Serves as a critical mediator between halal certification, business legality, brand image, and consumer satisfaction. High levels of trust in a brand lead to increased consumer satisfaction.

Overall, the results underscore the importance of halal certification, legal compliance, and a strong brand image in building consumer trust and achieving high consumer satisfaction in the cosmetic industry. These findings provide valuable insights for cosmetic brands aiming to cater to the needs of Muslim consumers in Indonesia and highlight the critical role of ethical and legal compliance in the competitive cosmetics market.

Despite the valuable insights provided by this study, several limitations should be acknowledged:

1. **Sampling Method:** The study utilized purposive random sampling, which, while effective in targeting specific populations, may limit the generalizability of the findings. The sample was confined to women in Indonesia who use cosmetics, which

may not fully represent the broader consumer base.

2. **Geographic Limitation:** The study was conducted exclusively in Indonesia. Cultural and regional differences may limit the applicability of the findings to other contexts or countries with different consumer behaviors and market dynamics.
3. **Focus on Halal Certification:** While the study highlighted the importance of halal certification, it did not explore other potential factors influencing consumer trust and satisfaction, such as product efficacy, price, and availability, which could also play significant roles.

Recommendations for Future Research

Future research could address these limitations by:

1. Expanding the sample to include a more diverse group of consumers across different regions and demographics.
2. Employing longitudinal designs to examine changes in consumer trust and satisfaction over time.
3. Exploring additional factors that may influence consumer trust and satisfaction in the cosmetics industry.
4. Conducting comparative studies across different countries to understand cultural influences on consumer behavior regarding halal cosmetics.

By addressing these limitations, future studies can provide a more comprehensive understanding of the factors influencing consumer trust and satisfaction in the halal cosmetics industry.

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