The Effect of Innovation Product and Halal Labelization on Buying Repurchase Special Food in Blitar City

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Abstract: Increased growth of food and beverage businesses that grow above the Gross Domestic Product (GDP) in the Blitar City area from year to year. Making food and beverage business people must strive to maintain their competitive edge in order to maintain their business amid the many competitors that continue to emerge, especially in this study, namely the typical food product business of the City of Blitar Cang-Jo, Uceng Tho Siti, and Abon Lele Mekarsari. The purpose of this study was to determine and analyze the effect of product innovation and halal label on repurchase interest in Blitar City. The method used in this research is quantitative. The data analysis method used is multiple linear regression using SPSS software. with a research sample of 100 respondents obtained by the technique of calculating the number of indicators of all variables at times 10. Data collection was carried out using hypothesis testing and statistical tests. The results of this study are product innovation and halal labelling have a significant effect on repurchase special food in Blitar City.

Keywords: innovation product, halal labelization, buying repurchase

INTRODUCTION

The food and beverage business has increased above the Gross Domestic Product (GDP) in Indonesia, especially the Blitar City area from year to year, in 2015 it was still at 5.96%, in 2016 it was 5.95%, in 2017 it was 8.62 %, in 2018 8.60 percent and in 2019 an increase of 9.39%. The increase in business in the food and beverage industry sector is of course accompanied by a growing number of business actors (www.blitarkab.bps.go.id/2020).

Research on the typical food products of the City of Blitar is focused on food product businesses with the brands Dodol Cang-Jo's, Uceng Tho Siti, and Abon Lele Mekarsari. The three products are processed food products that are quite well known in Blitar City and have made product innovations and have halal certification. The number of competitors that are increasingly popping up makes the brand have to focus on the desire or interest in consumer purchases of its products.

In developing awareness of the importance of product innovation, currently the Office of Cooperatives and Micro Businesses (Dinkopum) of Blitar Regency is holding entrepreneurship training for the people of Blitar, the training held is training on innovation- based food processing carried out by Dinkopum at Balai Petung in Beru Village, Wlingi District. (www.jatimnews.com)

The increase in the growth of Muslims in Indonesia and the world according to the 2019-2024 Indonesian Sharia Economic Masterplan, which has increased by 7–8 percent per year, especially Indonesia, where the majority of the population is Muslim, has made public awareness of the importance of consuming halal food increasing. The halal label is also an appreciation given to products that meet the halal criteria according to Islamic teachings. Halal food products are marked with a halal label printed on the product. The institution that has the right to issue halal labels and certificates in Indonesia is LPPOM MUI. (www.halalmui.org).

LITERATUR REVIEW

According to Cahyaningrum and Panjaitan (2019) that product innovation is an action taken by a company in an effort to improve the quality, usability and quality of the product and add variety to products in order to maintain and also create a competitive advantage towards the global market. There are five indicators in measuring product innovation according to Aditi (2019), namely, adding product variants, adding new products, product appearance and product taste.

The halal label is the inclusion of a halal statement on a product packaging to show that the product is a halal product. There are indicators to measure a Halal label in Khairannoor (2019), namely, the manufacturing process, raw materials, and specificity.

According to Khairannoor (2019) repurchase intention is a manifestation of customer loyalty. Although the literature identifies other dimensions of customer loyalty, behavior regarding product repurchase has a more direct effect because repurchase intention is the tendency that consumers will buy goods or services at the same store and share their experience of using them with friends and relatives. Indicators of repurchase intention according to Sutisna (2010) in the journal Aditi (2019), namely, benefit association, priority in buying, and frequency of purchases. This study aims to examine and analyze the effect of product innovation and halal label on repurchase in Blitar City.

PREVIOUS RESEARCH

Research conducted by Bunga Aditi (2019) on Innovation Product Halal Labelization in Buying Repurchase. The purpose of this study was to determine and analyze the influence of the innovation product variables and halal labelization on buying repurchase. The method used in this research is descriptive analysis method by describing the data. The data analysis used was Multiple Linear using SPSS software with non-probability sampling technique. The population in this study were all consumers totaling 475 respondents who bought SME products, with a sample used of 100 respondents using the theory of Hair et al (2007). The results showed that product innovation and halal labelization had a positive and significant effect on buying repurchase. This study both examines and analyzes the halal labelization and buying repurchase variables.

In Ika Yoga's (2018) research on Halal Emotional Attachment on Repurchase Intention. The purpose of this study was to examine the position of emotional attachment as a mediation of the influence between halal awareness, halal logo, and food ingredients composition on repurchase intention to buy halal products. This research method is a quantitative method. This study took a sample of consumers who had consumed or bought halal products. The population obtained 384 respondents. The results showed that the halal variable was able to play an important role and significantly influence the intention to buy back or buy repurchase. This study both examines and analyzes the halal variable and buying repurchase.

In the research of Panca and Kusumadewi (2019) on the effect of product innovation on repurchase intention mediated by consumer satisfaction. The purpose of this study was to determine the effect of product innovation on repurchase intention mediated by customer satisfaction. This study uses data analysis techniques Path Analysis. The sample size obtained by using purposive sampling method of 110 respondents. The results of this study indicate

that product innovation has a positive and significant effect on consumer repurchase intentions. This study both examines and analyzes product innovation variables.

Cahyaningrum and Panjaitan (2019) examined the Effect of Product Innovation, Price and Location on Purchase Purchase Decisions. The purpose of this study was to determine whether product innovation, price and location partially and simultaneously had a significant effect on repurchase decisions. This type of research is causality, using data collection techniques in the form of a questionnaire. The sampling technique used non-probability with purposive sampling method with the number of samples determined by the researcher as many as 100 people and the data analysis technique used was multiple linear regression. The research results of hypothesis testing in this study indicate that the variable product innovation, price and location have an effect on re-purchase decisions. This study both examines and analyzes product innovation variables.

RELATIONSHIP BETWEEN VARIABLES

Bunga Aditi's research (2019) aims to determine and analyze the effect of product innovation and halal labelization on buying repurchase. The results of this study are product innovation and halal labelling simultaneously have a positive and significant effect on the repurchase of MSMEs in Langkat Regency. Partially each Product Innovation and Halal Label have a positive and significant effect on the repurchase of MSMEs in Langkat Regency. The product innovation variable has a positive value of 43.33%. This means that the influence of the product innovation variable is in line with the increase in repurchases. Partially it shows that

the product innovation variable has a positive effect on increasing repurchases. The halal label variable has a positive value of 61.7%, which means that the influence of the halal label variable is in line with the increase in purchase returns. This shows that the Halal labelling variable has a positive effect on increasing repurchases. Also research from Rantau (2019) which states that product innovation has a significant effect on buying repurchase.

Marimon's research (2020) aims to determine the factors that influence the purchase intention of halal food among Spanish Muslim consumers. This research empirically provides evidence of a significant relationship between halal awareness, attitudes towards halal labels and halal purchase intentions. The results also show that the mediating effect of attitudes on the halal label is in the form of complementary partial mediation. This means that the attitude of Muslim consumers towards the halal label has a mediating effect and a direct effect on consumer purchase intentions. This result is in accordance with Ika Yoga (2018) which states that the halal variable is able to play an important role and has a significant effect on buying repurchase intention.

H1: The effect of product innovation on repurchasing special foods in Blitar City

H2: The effect of the halal labelization on the re-purchase of special food in Blitar City.

METHOD

This research method uses quantitative research. The data used in this study are primary and secondary data. Collecting data in this study using a questionnaire distributed online with reference to Likert scale measurement and statistically analyzed using multiple

linear regression analysis method. The population in this study were consumers of Dodol Cang-Jo's, Uceng Tho Siti, and Shredded Lele Mekarsari with the criteria of having bought a product at least three times, amounting to 100 respondents obtained by calculating the number of indicators for all variables in 10 times. conducted using hypothesis testing and statistical tests.

RESULTS AND DISCUSSION

Validity and reliability test

In the validity test, it shows the results of all indicators of product innovation, halal labels and repeat purchases are declared valid because they have a significance value <0.05

Reliability test results show that all product innovation variables, halal labels and repeat purchases have a Cronbach alpha value >0.6, so all of them are declared reliable.

Classic assumption test

Based on the normality test, the Klomogrov - Smirnov test results show that the significance value is more than the 0.05 significance level so that it can be concluded that the residuals are normally distributed. Unstandardized coefficients mean that the distance between one data and another is not too far or extreme. Based on the results of the multicollinearity test, it shows that the tolerance value of all variables is more than 0.100 and the VIF (Variant Inflation Factor) value is less than 10, namely the VIF of the product innovation variable shows a value of 1.099, and the halal label also has a value of 1.099, so it can be concluded that multicollinearity does not occur between independent variables. Based on the results of the hetero-

scedasticity test, the significance value of the product innovation variable (X1), and the halal label (X2) is greater than 0.05, it can be concluded that there is no heteroscedasticity in the product innovation variable (X1), and the halal label (X2).

Results of Multiple Linear Regression Model

The results obtained in the calculation of the multiple linear regression equation in this study are:

Table 1 Results of Multiple Linear Regression Model

Model	Koefisien Beta	t	Sig.	Keterangan
(Constant)	1,006			
Innovation Product (X1)	0,194	2,170	0,032	Signifikan
Halal Labelization (X2)	0,448	5,004	0,000	Signifikan
Dependent variable: buying repurchase (Y)				

$$Y = 1,006 + 0,194 \, X1 + 0,448 \, X2$$

Description:
Y = *buying repurchase*
X1 = *innovation product*
X2 = *halal labelization*

F test

The value shown in the F test shows a significance of 0.000. So, it can be concluded that product innovation and halal label have a simultaneous significant effect on re-purchase because the significance value of the F test is ≤0.05.

t test

The product innovation variable has a significant value of 0.032, and the halal label is 0,000. So it can be concluded if the two variables have a partial significant effect on repurchase because the significance value is ≤0.05.

Correlation Coefficient (R) and Coefficient of Determination (r^2) and Adjusted R square

The test results on R, r2, and adjusted r square give the result that the R value of 0.540 or 54.0% means that the relationship between the independent variable and the dependent variable has a strong enough relationship because the value does not approach 0. And the R2 value or the coefficient of determination shows the number 0.291 or 29.1%, which means that the percentage of influence of the independent variable on the dependent variable is 29.1%, the rest is explained by other variables not examined in this study. The coefficient of determination on Adjusted R Square is 0.277, which means that the product innovation and halal labelization variables can describe the dependent variable of 27.7%, while the rest is explained by other variables not examined in this study.

DISCUSSION

Based on the research results, product innovation has a significant effect on buying repurchase. This means that existing indicators on Product Innovation have a significant influence on Buying Repurchase. Product innovation has several indicators consisting of adding product variants, adding new products, product appearance, and product taste. The results of this study are supported by research conducted by Bunga Aditi (2019) who found that product innovation has a positive and significant effect on buying repurchase. The same view was also expressed by Rantau (2019) where researchers found that product innovation had a positive and significant effect on buying repurchase. Based on the results of the research, product innovation has a very important role because it can affect buying repurchase of typical foods in Blitar, namely Cang-Jo's, Uceng Tho Siti, and Abon Lele Mekarsari. Therefore, these typical food products must pay more attention to product innovation in order to encourage consumers to buy repurchase. Therefore, what can be done with Blitar's typical food products, namely Cang-Jo's, Uceng Tho Siti, and Abon Lele Mekarsari, is to add product variants according to market demand, add new products, further improve product appearance and pay attention to the quality of taste in products.

Based on the research results, Halal Labelization has a significant effect on Buying Repurchase. This means that the indicators in halal labelization have a significant effect on Buying Repurchase. Halal labelization has several indicators which consist of the process of making raw materials and specificities. The results of this study are supported by research conducted by Marimon (2020) who found that halal labelization has a positive and significant effect on buying repurchase. The same view was expressed by Yoga (2018) finding that halal labelization has a positive and significant effect on buying repurchase. This study provides results that halal labelization has a very important role because it can affect buying repurchase for typical food in Blitar, namely Cang-Jo's, Uceng Tho Siti, and Abon Lele Mekarsari. Therefore, the typical food products of City B must pay more attention to halal labelization in order to encourage consumers to buy repurchase of these products. So what can be done by typical food products in the city of Blitar is to educate the public or consumers about the importance of halal certification in food products and highlight the ownership of the halal certification that the product has.

CONCLUSIONS AND RECOMMENDA-TIONS

Conclusions

Product innovation has a significant effect on repurchase in Blitar City, the first hypothesis (H1) is accepted. And halal label has a significant effect on repurchase in Blitar City, the first hypothesis (H2) is accepted

Recommendations

For the special food products of Blitar City, which are typical food products of the city of Blitar, it is expected to pay more attention to product innovation with indicators of adding product variants, adding new products, paying attention to product appearance and taste of products, typical food products of Blitar city are also expected to pay attention to halal labelization by educating the public regarding the importance of the halal label and highlighting that the product has halal certification, this needs to be considered as much as possible as a form of strategy to increase buying repurchase and as a consideration for taking this typical food product in the city of Blitar to continue to run amid the many business competitors in the similar food sector.

Suggestions for future researchers, based on overall research results. The suggestion given is that the next researcher is expected to consider expanding the scope of the sample to a different food business, either a different brand or a different type of food, and by deepening the research or adding other relevant variables to be studied.

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ATTACHMENT

Tabel Validity Test Result

Variabel	Pearson Correlation	Nilai sig. (2-tailed)	Kesimpulan
Innovation Product (X_1)			
X1.1	0,290	0,003	Valid
X1.2	0,318	0,001	
X1.4	1,000	0,000	
Halal Labelization (X2)			
X2.2	0,438	0,000	Valid
X2.3	0,440	0,000	
X2.4	0,404	0,000	
X2.5	1,000	0,000	
Buying Repurchase (Y)			
Y.2	0,524	0,000	Valid
Y.3	0,663	0,000	
Y.4	1,000	0,000	

Tabel Reliability Test Result

Indikator	Jumlah Sampel	Cronbach's Alpha	Keterangan
Innovation Product (X_1)			
$X_{1.1}$	100		
$X_{1.2}$	100		
$X_{1.3}$	100	0,609	Reliabel
$X_{1.4}$	100		
$X_{1.5}$	100		
Halal Labelization (X_2)			
$X_{2.1}$	100		
$X_{2.2}$	100		
$X_{2.3}$	100	0,782	Reliabel
$X_{2.4}$	100		
$X_{2.5}$	100		
Buying Repurchase (Y)			
Y.1	100		
Y.2	100		
Y.3	100	0,808	Reliabel
Y.4	100		

Tabel Kolmogorov-Smirnov Test

	Kolmogorov-Smirnov
	Sig.
Unstandardized coefficients	0,161

Tabel t Test

Model	Unstandardized Coefficients	Keterangan
	VIF	
Innovation product (X_1)	1,099	Tidak terjadi multikolinearitas
Halal labelization (X_2)	1,099	Tidak terjadi multikolinearitas
Dependent variable: buying repurchase (Y)		

Tabel Heteroskedastisitas Test

Model	Sig.	Keterangan
Innovation product (X_1)	0,861	Tidak terjadi heteroskedastisitas
Halal labelization (X_2)	0,767	Tidak terjadi heteroskedastisitas

Tabel F Test

ANOVA [a]		
Model	F	Sig.
Regression	19.935	0,000

Sumber: data diolah, 2020

Tabel t Test

Model	t	Sig.	Keterangan
Innovation product (X_1)	2,170	0,032	Signifikan
Halal labelization (X_2)	5,004	0,000	Signifikan
Dependent variable: buying repurchase (Y)			

Tabel Correlation Coefficient (R) and Coefficient of Determination (r2) and Adjusted R square Test

R	R^2	Adjusted R Square
0,540	0,291	0,277