ANALYSIS OF FACTORS AFFECTING DEMAND FOR HALAL BREAD PRODUCTS FOR MILLENNIAL CONSUMERS

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ABSTRACT *This study aimed to examine the factors affects the millennial consumer demand in consuming bakery products (sweet bread) labeled halal. It was conducted at Sriwjaya University, Palembang with a sample of 93 respondents from a total population of 1327 people. Data retrieval method was a survey method with Purposive sampling technique. The data analysis technique used in this study was multiple linear regression analysis with the OLS method. The results of this study were (1) the prices and income had a positive and significant effect on the demand of millennial consumers in consuming halal-label bakery products. (2) The concern had a positive and insignificant effect on the demand of millennial consumers in consuming bakery products labeled halal. (3) There was no difference on the demand for millennial consumers in consuming bakery products labeled halal based on taste and method of payment.*

Keywords: Islamic Demand, Income, Price, Taste, Method of Payment and Halal Concern

Jel Codes: D, D9, AEJ

INTRODUCTION

Indonesia is one of the countries with the majority Muslim population of 265 million people (BPS, 2018). By becoming the biggest Muslim, Indonesia has become a large potential market for various manufacturers of goods and services. Bashori (2018) states that in Islamic economics not only learn about finance and banking, but also about the halal food, cosmetics and fashion industries, so as to support the creation of a sharia economic outlook in the future. This consumption pattern is regulated in Islam called Shari'at (Effendi, 2010).

Shari'ah prohibits every Muslim from consuming products at freedom because the value of its contain is not necessarily in accordance with the prescribed Syariah. With the existence of the Shari'ah, Muslim consumers, especially Indonesian consumers, will be safe if they consume certified halal issued by the Indonesian Ulama Council (MUI). This certification gives the company the authority to use the halal logo as halal labeling for printing on product packaging or for display on the company's premise (MUI, 2018).

Consumption is strongly influenced by the quality of faith both in the form of material or spiritual satisfaction (Apryanti, 2018). The changes in lifestyle patterns are one of the causes of changes in the food consumption patterns (Rizka, Purnama Dewi and Hasanah, 2018). The development of an increasingly modern era makes people's lifestyles to shift, so that people want things that are practical and easy to obtain. The emergence of the *bakery* industry in the middle of the city, one of them in the city of Palembang which is located in the province of South Sumatra, Indonesia is a cause of changes in food consumption patterns. The various food compositions of various additives used are difficult to determine as long as they are made. This situation makes things that are prohibited to distinguish, especially food and beverages, so that the halal food products are doubtful. At present the target of consumption of various types of popular foods is millennial generations who are still students. Millennial generation is a generation born in the range of 1980-2000 that lives in the third millennium era (Sebastian, 2017).

During the 2014th-2017th, it can be seen that the average per capita expenditure for consumption of processed food has increased annually by 2.9 percent (BPS, 2017). Some

foods included in food and beverages are bread, cakes, fried foods, instant noodles, *gado-gado*, bottled water and others. Rizka (2018) emphasized that bread products are the second source of carbohydrates after rice. The existence of halal labels in the packaging of bread products is a major consideration in purchasing decisions.
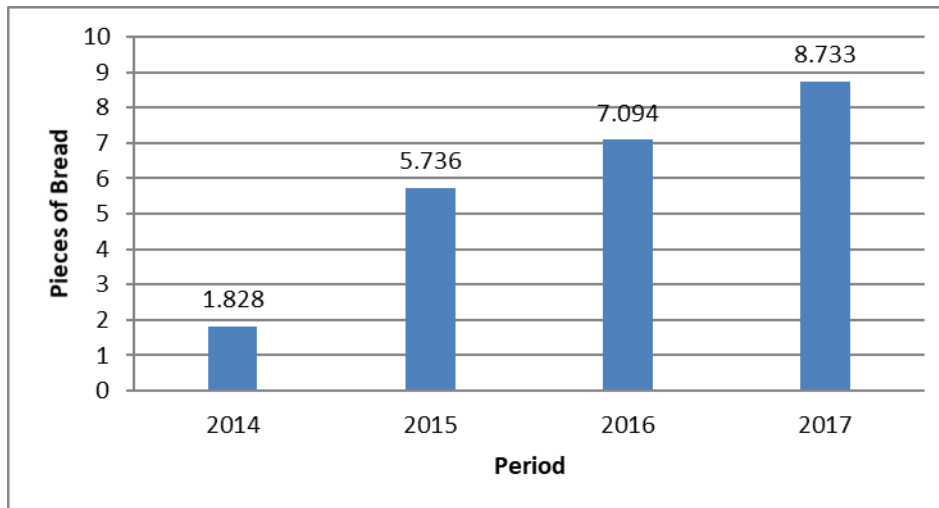
Source: (BPS, 2017)

Figure1. Average per capita consumption food commodity produced by South Sumatra *Susenas* (urban areas) for the period 2014-2017.

Figure 1 shows that the average consumption per capita of the population of South Sumatra for processed food is bread, both sweet bread and white bread like 1,828 pieces in a month in 2014, in 2015 there was an increase to 5,736 pieces of bread a month. In 2016 the average per capita consumption of the population of South Sumatra for bread increased to 7.094 pieces of bread a month until finally in 2017 there were 8,733 pieces of bread consumed in a month. Based on these data it can be seen that the level of public consumption of bread is quite high. In general, the high average consumption of bread per capita is due to the density of the population in the Province of South Sumatra. The density of the population in south Sumatra province is inseparable from the role of the city of Palembang which has contributed a population of 1, 6 million people with a number of Muslims of 91.93 percent (BPS, 2017)

The effect of the level of income on consumption has a close relationship (Mankiw, 2012). The income is the total revenue obtained by millennial consumers in a certain period. Pocket money is assumed to be income received by students as millennial consumers who have not

worked. The income obtained can be used for consumption both for the cost of education, food and other necessary needs.

In addition to income factors, prices can also influence consumer behavior. Prices affect Muslim consumers' purchasing decisions in Medan by 65.1 percent (Alfian and Muslim, 2017). But in Islam, consumer behavior must reflect Muslim consumer relations with Allah SWT. Every movement in daily shopping is a manifestation of remembrance of himself in the name of Allah, meaning by not choosing illicit, not miserable, and not greedy goods to make life safe (Muhammad, 2016).

According to Marzuki et al. (2012) and Omar et al. (2013), the concept of Islamic food was based on quality, cleanliness and composition of food that is not impure (purity). Whereas according to Nawi and Nasir (2014) halal food was determined by halal food certificates. Besides that according to Rizka (2018) the demand for halal bread depends on halal awareness and income has a significant effect on the demand for halal bread products.

At Palembang Sriwijaya University especially at the Faculty of Economics, most students are Muslim (unsri.ac.id, 2017). Students are one of the critical people who are equipped with basic of knowledge and religious knowledge. One of them is halal knowledge which means that someone who has good halal knowledge will be rational and care more about the halal food consumed so that it becomes a smart consumer. Students are one of the learning participants who have the ability to digest information well and can choose products that are good for consumption without having to be watched closely by parents.

In addition, the researchers also observed that at the Sriwijaya University Palembang Faculty of Economics every time students (S.1, S.2 and S.3) conducted seminars, both the seminar proposal and the thesis were not separated from the snack box, one of which was sweet bread. The researchers rarely see the bakery (sweet bread) that is used already labeled halal in its packaging. This is very detrimental to the consumer, because consumers, especially Muslim consumers, have no certainty about the halal product. Even more the existence of halal labels on bread products is an important and urgent attribute for Muslim consumers. With the existence of this halal labeled food Muslim consumers in this case the millennial generation that is the study of researchers can ensure that products are feasible and good for them to consume. Thus, there is no doubt to eat the products that have halal labels on its packaging.

According to Sukesti and Mahdukh (2014), halal labels have influenced the purchasing decisions of food products. However, only a few bread and cake industries have had halal certificates. This has detrimental to the rights of Muslim consumers because consumers have not get certainty about the halal products. Therefore, this study will discuss further the factors that influence the demand for halal bread based on halal tastes and concerns. Regarding the phenomenon and the low concern about halal food, this study will explain that consumer demand (Millennial Consumer) for halal bread is influenced by Al-mua'wid (income), Transaction / Price Costs, raghabah / taste and halal concern.

LITERATURE REVIEW

Economic theory that underlies Islamic demand and Islamic consumption according to Ibnu Taimiyah briefly reviewed. This study used a model of Islamic demand according to Ghazali in Karim, 2017; Mankiw, 2012; Prasnawati, 2017; in the literature on demand, in Islamic economics there is a limit for consumers to behave economically in accordance with the laws that apply in Islam. In Islamic economics the existence of norms and attitudes called morals/*akhlak* is a principle in carrying out economic activities. This is what distinguishes between economic demand in conventional and shari'ah. In the Islamic economy, consumption is an activity that fulfills the needs of both the body and spirit so that it is able to maximize human function as a servant of Allah SWT to obtain prosperity or happiness in the world and the hereafter (*falah*). *Falah* is the highest economic value in Islam.

Several studies that illustrate the factors that determine Islamic demand and several other empirical findings that support existing hypotheses include:

Alfian and Muslim (2017), in their study of Halal, Brands and Prices, it influenced the purchasing decisions of Muslim consumers in Medan by 65.1 percent. The results of the study indicated that the halal label is the closing when making a purchase.

Likewise, also with Widodo who researched in 2015 about halal labeling and the price of his research focus on the ingredients of eating instant noodles. According to Widodo, labeling halal and prices had an influence on the purchase of instant noodles, which means consumers will buy the noodle products if labeled halal and at affordable prices.

The research conducted by Iranita (2013) which examined halal labeling on packaging products found that halal-labeled product purchase decision resulted in 43% of respondents believed that the product purchased was halal as a factor in the habit of consuming halal products. While the respondents who believed that by buying Halal labeled products reflect

attitudes as Muslims were 42%. A halal labeling on packaging products can increase the purchase decision of the product, which means consumers will buy packaging products that include halal labels on product packaging.

Rizka et Al. (2018) did a research on Bread Products in the Food Consumption Pattern and the existence of halal labels in public consumption decisions. Rice is still the main source of carbohydrates and bread products are the second source of carbohydrates. However, the higher the income group, the higher the level of consumption of bread products. Most respondents consider that the halal label is the main consideration in the decision to purchase bread products.

In modern life and in educated people, lifestyles usually influence both the behavior patterns of daily behavior and consumption. This is like Soesilowati and Yuliana (2013) study which about the consumer behavior of halal products, both minority and Muslim majority. Some of the factors that limit the behavior of halal food consumers are attitude, subjective norms, perceptions of behavioral control and education level

Ahmed et Al. (2018) examined Consumer Behavior towards Willingness to Pay for Halal Products an Assessment of Demand for Halal Certification in a Muslim Country. This study highlighted the existence of a Muslim consumer concerns with respect to labeled product and operations even though only a Muslim country. There are the concerns about halal, religiosity, perceptions of the use of halal and staple products owned which have a significant impact on willingness to pay for halal food and the level of demand for halal food has a significant impact.

Rizka et al. (2018) reviewed bread products in food consumption patterns and the existence of halal labels in community consumption decisions. The results showed that the halal awareness variable, duration of education, original dummy, and dummy lower income group had a significant effect on the consumption decisions of bread products.

Conceptual Framework

According to Ibn Taimiyyah, demand has been influenced by people's tastes (raghbah), quality of buyers (al-mu'awid), weak or strong needs of an item, the way payments are made, and the amount of transaction costs. In addition, in the Islamic economy to increase

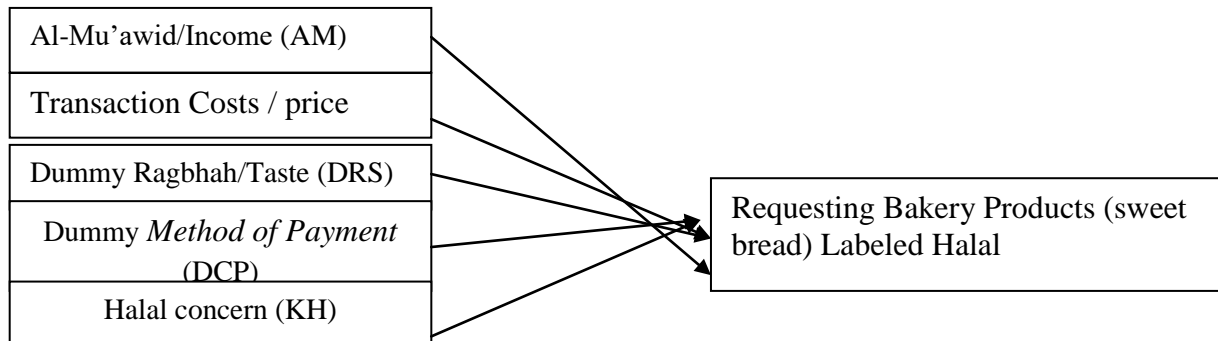mashlahah, a Muslim is required to consume halal food according to the recommendations of the Syari'ah.

Figure 2 Conceptual Framework

Figure 2 is a research plan framework that will be carried out in analyzing the factors that influence the demand for halal bakery products on millennial consumers. In this study there are variables that influence each other. These variables and their interrelationships with each other form the design of the model to be used. The variables formed into the model are Al-Mu'awid/Income (AM), Transaction costs/Price (BT), Raghbah/Taste (DRS), Dummy Method of Payment (DCP) and Halal Concern (KH) which affects the Request for Bakery Products (sweet bread) labeled halal (Li).

RESEARCH METHODOLOGY

The Analysis of Model and Method

This research was conducted using a quantitative approach to estimate the dominant factors affecting Islamic demand for this study using multiple regression analysis used the *Ordinary Least Square* (OLS) method. The general functions for Islamic demand model are as follows;

$$Yi = f(X_1, X_2, X_3, X_4, X_5)$$

Then with the OLS method an estimation of the econometric model is carried out with the following;

$$Li = \alpha + \beta_1 AM + \beta_2 BT + \beta_3 DRS + \beta_4 DCP + \beta_5 KH + \varepsilon$$

Information:

Li	= Request *bakery* / cut bread
AM	= Al-mu'awid / income (IDR / month)
BT	= Transaction costs / Price (IDR / piece)
DRS	= *Dummy* tastes (1 = happy, 0 = other)
DCP	= *Dummy* Payment Method (1 = cash, 0 = other)
KH	= Halal Concern (Score)
α	= intercept
β	= Parameter of the Xi variable
ε	= Standard error

Types and Data Sources

This section explains the types and data sources that interpret the main characteristics of these variables related to econometric analysis: To analyze the factors that influence the demand for food, this study chose the location at Sriwijaya University due to the large number of millennial Muslims in the area. The main source of data for this study was primary data, which was collected using a survey method with proportional random sampling. A total of 93 students (both male and female) were interviewed in this study; to calculate the sample, the formula used is the Slovin formula with an error rate of 10% which is as follows:

$$n = \frac{N}{Nd^2 + 1}$$

Where:

n = Number of samples.

N = Total population.

d 2 = Percentage of sample errors, in this study 10% .

Based on this formula the calculation of the number of samples with a population of 1,327 people is as follows:

$$n = \frac{1327}{1327(0,1)^2 + 1} = 92,99 = 93 \; students$$

So the total of samples for this study was 93 students.

3.3 Variables

The unit of analysis of this study was Sriwijaya University students. After reviewing the theory and previous research, the variables associated with this study are Al-Mua'awid / Income, Transaction Costs / Prices and Halal Concern that these factors are thought to influence the demand for Islamic food. In addition to looking at the factors that influence Islamic demand, the study also looked at the demand for Islamic bread based on taste and method of payment (which allegedly had different demands for Islamic food (sweet bread) based on taste and method of payment. The explanation of hipothesis;

Hypothesis 1:

Alleged Al-Mu'awid /Income have a significant influence on the demand for bakery products (halal bread) labeled halal.

Hypothesis 2:

Alleged Transaction cost / Price Costs have a significant influence on the demand for bakery products (sweet bread) labeled halal.

Hypothesis 3:

It is suspected that there is a difference in Raghbah / Tastes against the demand for bakery products (halal bread) labeled halal.

Hypothesis 4:

It is suspected that there is a difference in the Payment Method for the demand for bakery products (halal bread) labeled halal.

Hypothesis 5:

Allegedly Halal concern has a significant influence on the demand for halal bakery products.

Hypothesis 6:

Al-Mu'awid / income, Transaction cost / Price, Raghbah / Taste, Payment Method and Halal   concern together have significant influence on the demand for halal bakery products (sweet bread).

RESULTS AND DISCUSSION

Statistic Descriptive

Analysis of the data is carried out to explain the statistical descriptive of the selected variables and present data in the form of tabulations, which include rows and columns. This analysis discusses relationships Al-mu'awid / income, transaction costs /prices, raghbah/taste, method of payment, and concern for the halal bakery products (sweet bread) labeled halal with descriptive statistics.

The Relationship between Income and Demand for Bakery Products (Sweet Bread) Labeled Halal

The income has a close relationship with demand, the higher the income, the higher the demand. This is in line with the demand for bakery products (Sweet Bread) labeled halal, the higher the income of the millennial generation, especially students, the more bakery products (Sweet Bread) labeled halal are purchased.

Table 1 defines 71 people with the lowest income categories, namely IDR.400000-1119999/month as many as 47 people (66.19 percent) had a demand of bakery products (Sweet Bread) labeled halal namely 1-6 units of bread /month, while 33.81 percent of that or as many as 24 people who have income of more than IDR.1.199.999/month with the level of demand for bakery products (Sweet Bread) labeled halal which is the same.

Table 1 Cross Tabulation of Income and Demand for Bakery Products (Sweet Bread) labeled halal

Income	Demand of *Bakery* Products (Unit / month)					Total
(IDR / month)	1-3	4-6	7-9	10-12	13-15	
400000-1119999	32	15	0	0	0	47
	34.4%	16.1%	0.0%	0.0%	0.0%	50.5%
1120000-1839999	6	16	3	0	0	25
	6.5%	17.2%	3.2%	0.0%	0.0%	26.9%
1840000-2559999	1	1	8	6	1	17
	1.1%	1.1%	8.6%	6.5%	1.1%	18.3%
2560000-3279999	0	0	0	0	2	2
	0.0%	0.0%	0.0%	0.0%	2.2%	2.2%

3280000-3999999	0	0	0	0	2	2
	0.0%	0.0%	0.0%	0.0%	2.2%	2.2%
Total	39	32	11	6	5	93
	41.9%	34.4%	11.8%	6.5%	5.4%	100.0%

Source: Primary Data, (processed, 2019)

From 11 respondents with the highest income category, namely 2.560.000-3,999,999/month as many as 4 people (36.3 percent) had the level of demand for bakery products (Sweet Bread) labeled halal as many as 10-15 units / month while 63.7 percent of that or as many as 7 people have income of less than IDR.2.560.000 / month with the demand for the same bread.

The Relationship between Price and Demand for Halal Bakery Products (Sweet Bread)

The price of bread is very influential on the demand for bakery products (Sweet Bread) labeled halal, in general bakery products (Sweet Bread) labeled halal are purchased suit to the students' affordances. Thus, students generally buy Bakery Products (Sweet Bread) labeled halal at a low price.

Table 2 Cross Tabulation Between and Price Demand for Bakery Products (Sweet Bread) labeled halal

| Price (IDR) | Demand of Bakery Products (Unit / month) | | | | | Total |
	1-3	4-6	7-9	10-12	13-15	
2000-25999	39	32	11	6	4	39
	41.9%	34.4%	11.8%	6.5%	4.3%	41.9%
> 64999	0	0	0	0	1	0
	0.0%	0.0%	0.0%	0.0%	1.1%	0.0%
Total	39	32	11	6	5	39
	41.9%	34.4%	11.8%	6.5%	5.4%	41.9%

Source: Primary Data, (processed, 2019)

Based on Table 2, it shows that 71 people with the lowest price category are IDR.2000-25999 / unit as many as 71 people (100 percent) or fully own request bakery products (Sweet Bread) labeled halal bread as much as 1-6 units / month. Of the 11 respondents with the highest price category, which is more than IDR.64.999/unit of 1 people (1.1 percent) have a level of demand for bakery products (Sweet Bread) labeled halal as many

as 10-15 units / month while 99.1 percent of that or as many as 10 people with prices less than IDR.64.999 / unit on demand for the same bread.

The Relationship between the Taste and Demand for Halal Bakery Products (Sweet Bread)

The selection of bakery products (Sweet Bread) labeled halal is depended on the consumers, not least of bakery products (Sweet Bread) Halal for students, they choose not on the basis of just their fondness but there are criteria on the basis of religion such as product labeling and conformity of Syari'ah Islam.

Table 3 Cross Tabulation Taste and Demand for Bakery Products (Sweet Bread) Labeled Halal

| Taste | Demand of Bakery Products (Unit / month) | | | | | Total |
	1-3	4-6	7-9	10-12	13-15	
Like it	31	28	10	3	4	76
	33.3%	30.1%	10.8%	3.2%	4.3%	81.7%
Others (Islamic Shari'a and	8	4	1	3	1	17
Halal labeling)	8.6%	4.3%	1.1%	3.2%	1.1%	18.3%
Total	39	32	11	6	5	93
	41.9%	34.4%	11.8%	6.5%	5.4%	100.0%

Source: Primary Data (processed, 2019)

Based on Table 3, it shows that out of 71 people with the lowest bread demand, namely 1-6 units / bread / month, as many as 59 people (83.1 percent) bought halal bakery products (Sweet Bread) on the basis of the preference for these bread products. While 16.9 percent of that or as many as 12 people bought bakery products (sweet bread) labeled halal on the basis of Islamic Shari'ah and halal labeling. From 11 respondents with the highest category of demand for bakery products (sweet bread) labeled 10-15 units of bread / month as many as 7 people (63.6 percent) who bought bakery products (Sweet Bread) labeled halal on the basis of the preference for these bread products. Whereas 36.4 percent of that or as many as 4 people bought bakery products (Sweet Bread) labeled halal on the basis of Islamic Syari'ah and halal labeling.

The Relationships between Payment Method and Demand Halal Bakery Products (Sweet Bread)

Along with the increasingly rapid modernization which led to the creation of digital payment method (non-cash), it is also often applied on halal products, especially bakery products (sweet bread) labeled halal.

Table 4 Cross Tabulation Payment Method and Demand of Bakery Products (Sweet Bread) Labeled Halal

| Payment Method | Demand of Bakery Products (Unit / month) | | | | | Total |
	1-3	4-6	7-9	10-12	13-15	
Cash	39	31	10	6	5	91
	41.9%	33.3%	10.8%	6.5%	5.4%	97.8%
No cash	0	1	1	0	0	2
	0.0%	1.1%	1.1%	0.0%	0.0%	2.2%
Total	39	32	11	6	5	93
	41.9%	34.4%	11.8%	6.5%	5.4%	100.0%

Source: Primary Data, (processed, 2019)

Based on Table 4, it presents that out of 71 people with the lowest bread demand of 1-6 units / bread / month, as many as 70 people (98.6 percent) bought halal bakery products (sweet bread) by cash. While 1.4 percent of that or as many as 1 person bought a bakery product (Sweet Bread) labeled halal by non-cash method. From 11 respondents with the highest demand for Bakery Products (Sweet Bread) labeled halal namely 10-15 units/bread/month as many as 11 people (100 percent) or all bought bakery products (Sweet Bread) labeled halal.

The Relationship between Halal Concern and the Demand for Halal Bakery Products (sweet bread)

The level of halal concern determines consumers' choice of halal product, generally the level of halal concern is seen in terms of halal level, halal labeling and composition.

Table 5 Cross Tabulation of Concern Halal and Demand for Bakery Products (Sweet Bread) Labeled Halal

Income	Demand of Bakery Products (Unit / month)	Total

(IDR / month)	1-3	4-6	7-9	10-12	13-15	
1-1.21	2	0	0	0	0	2
	2.2%	0.0%	0.0%	0.0%	0.0%	2.2%
2.2-3.3	0	1	0	0	0	1
	0.0%	1.1%	0.0%	0.0%	0.0%	1.1%
3.4-4.5	1	1	1	0	1	4
	1.1%	1.1%	1.1%	0.0%	1.1%	4.3%
4.6-5.7	2	0	3	0	1	6
	2.2%	0.0%	3.2%	0.0%	1.1%	6.5%
5.8-7.0	34	30	7	6	3	80
	36.6%	32.3%	7.5%	6.5%	3.2%	86.0%
Total	39	32	11	6	5	93
	41.9%	34.4%	11.8%	6.5%	5.4%	100.0%

Source: Primary Data (processed, 2019)

Table 5 describes 71 people with the lowest level of care category with a perception value of 1.21-3.3 as many as 3 people (4.22 percent) have a halal label labeled bakery product (Sweet Bread) as many as 1-6 units of bread / month, and 95.78 percent of that or as many as 68 people who have a perception value of more than 3.3 with the level of demand for bakery products (Sweet Bread) labeled halal is same. Out of the 11 respondents with the highest category of halal concern level with a perception value of 5.8-7.0 as many as 9 people (81.8 percent) have a level of demand for bakery products (Sweet Bread) labeled halal 10-15 units / month. 18.2 percent of that or as many as 2 people have a perception value of less than 5.8 with the demand for the same bread.

Econometric Analysis

The estimated results of regression multiple on the model of demand bakery (sweet bread) products labeled halal is shown in Table 6:

Table 6 Estimates of Regression Multiple

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	-1.271	1.724		-.737	.463
Income	.003	.000	.801	12.717	.000
Price	.060	.025	.147	2.416	.018

Taste	-.019	.487	-.002	-.039	.969
Payment Method	1.531	1.298	.072	1.179	.242
Halal Concern	.035	.061	.036	.566	.573

Source: Primary Data (processed, 2019)

Thus it can be arranged in the equation as follows:

Li = -1, 271 + 0.003 * AM + 0.060 * BT-0.019 * DRS + 1,531 * DCP + 0, 035 * KH

Based on the regression results of equation above, it can be analyzed that the influence of each independent variable on the dependent that variable income, price, method of payment and halal concern positively influence the demand for halal bread. Whereas the variable of taste have negative affects to demand for halal bread. The coefficient results can be interpreted as follows:

1. The constant value (β_0) = -1.271, it can be interpreted if the income, price, method of payment, taste and concern for halal are considered to be fixed or zero, then the demand for halal bread is -1.271. That is, the demand for halal bread without being influenced by variables of income, price, method of payment, taste and halal concern is equal to -1.271.

2. Coefficient value (β_1) = 0.003, it means the variable income positively influenced on the halal bread, if their incomes increase by 1%, it will increase the demand for halal bread of 0.003 percent.

3. Coefficient value (β_2) =0.060 that the variable price positively influenced on the halal bread demand, if the price increases by 1%, it will increase the demand for halal bread by 0.060 percent.

4. Coefficient value (β_3) = -0.019 that tastes based on Islamic law and labeling of halal products have a lower demand for halal bread by 0.019 percent compared to tastes based on preference for halal bread products. Coefficient value (β_4) = 1.531 means that the method of payment based on cash payments has a higher demand for halal bread by 1.5 percent compared to non-cash payments.

5. Coefficient value (β_4) = 0.035, it means the concern variable had positive effect on demand bakery halal, halal concern level increased by 1%, it will increase the demand for halal bread by 0.035 percent.

The Effect of Income on Demand for Halal Bread

Statistical values indicate that the income variable has a probability value of t-statistic (P- value) 0,000, then the income is stated to be significant to the demand for bakery labeled halal. Based on Table 6, coefficient values = 0.003 means that every increase in income by 1 percent, it will increase the demand for bakery products (halal bread) labeled halal by 0.03 percent. The influence of the level of income on consumption has a close relationship with income in which the total income that consumers get for a certain period (Mankiw, 2012). Pocket money is assumed to be income received by students as millennial consumers who have not worked. The income obtained can be used for consumption both for the cost of education, food and other necessary needs.

The results show that income influenced positively to the bakery products (sweet bread) labeled halal demand, it means that the higher the income, the higher the quantity of bakery products (sweet bread) labeled halal. This is in line with the research of Ahmed et. Al. (2018) and Othman and Saifudin (2016) , who found that the decision to buy halal bread depends on the level of income.

The Effect of Price on Demand for Halal Bread

The price variable has a probability value of t-statistic (P- value) of 0.018, so the price is stated to be significant to the demand for bakery products (sweet bread) labeled halal. Based on Table 6, the coefficient values =0.060, it means that every increase in price by 1 percent will increase the demand for halal bread by 0.060 percent. In microeconomic theory that prices have a negative effect on the demand for goods, the higher the price of a demand, the item will decrease, but the results of this study show that the price of sweet bread has a positive effect on the demand for bakery products labeled halal which means the price does not affect the desire of millennial consumers to continue to buy sweet bread labeled halal . In this case different Islamic economics with the theory of demand, but in this case, it can be explained by Al-Ghazali in Islamic social welfare function called *maslahah*. Welfare (*maslahah*) is a concept that covers all human activities and makes a close connection between individuals and society. Welfare or *maslahah* of a society depends on the search and maintenance of five basic objectives; (1) religion (*ad-dien*), (2) life or soul (*nafs*), (3) family or descent (nasl), (4) wealth (*maal*), and (5) intellect or mind (aql). Ghazali emphasized that

according to the guidance of revelation the main purpose of humanity is to achieve goodness in the world and in the hereafter (*maslahat al-din wa al-dunya*).

The results of this study are in line with the study of Shariff and Abd Lah (2012) and Rizka et. Al. (2018) which finds that the desire to buy sweet bread labeled halal is determined by religion (ad-dien) property or wealth (*maal*), meaning the desire to buy halal products or not depends on the islamic health function (*maslahah*) to achieve goodness in the world and in the hereafter (*maslahat al-din wa al-dunya*).

The Demand for Halal Bread Based on The Taste

The estimation results show the coefficient value = - 0,019 which means that tastes based on Islamic law and labeling of halal products have a demand for halal labeled bakery products lower by 0.019 percent compared to tastes on the basis of preferences for bakery products labeled as halal.

The taste of the community (*raghbah*) for various types of goods that are different and always changing. When consumers have an appetite for an item, this will affect the amount of demand for the item. Taste variables have a probability of t-statistics (P- value) 0.969 greater than 0.05, then the tastes variable is statistically insignificant in the demand for halal bakery products. Thus, there is no difference in demand for halal bakery products by taste. The desire to buy bakery products labeled halal on the basis of likes and according to Islamic law and labeling halal products are the same.

Islamic cases are in line with the social welfare function Islamic called *maslahah*. This means that the demand for halal products depending on the search and maintenance of the basic objectives of religion (ad-dien) and life or soul (nafs). Thus, if someone has the goal of achieving goodness in the world and in the hereafter then the thought of buying bakery products labeled halal, depending on the purpose of life in the world which is to love the sweet bread products and the purpose of life to achieve goodness in the end is based on religion (according to Islamic law and labeling of halal products).

The results are in line with a study by Iranita (2013) who found that the desire to buy halal bakery products (sweet bread) that to purchase of products labeled Halal depends on the habit of consuming the product. Meanwhile according to Alfi and Muslim (2017) 's study who found that the halal label is the closing when making a purchase. As Muslims it is very contrary to the obligation to consume halal food, so it can be concluded that millennial

consumers who are Muslim in Palembang city when making purchases have not fully paid attention to the halal label both at the store outlet and product packaging.

The Demand for Halal bakery products based on Payment Method

Statistically it shows the coefficient value = 1.531, which means that the method of payment based on cash payments has a demand for halal labeled bakery products which is higher than 1.5 percent compared to the tastes based on the preference for halal bakery products.

In general, the payment methods are cash or non-cash. The price will be lower if the payment is completed by using the common currency used (Nagd raj'i) than the rare one. Taste variables have a probability of t-statistics (P-value) 0.242 greater than 0.05, then the variable payment method was statistically stated to be insignificant towards the demand for halal bakery products. Thus, there was no difference in demand for halal bakery products based on the method of payment. It means good purchases of Halal products bakery (sweet breads) in cash or no cash is the same.

The results showed that payment in cash or not cash did not affect the desire to buy bakery products labeled halal. This case can be explained that someone has the desire to buy bread without having to be determined by the type of payment for halal bread. If they have assets or wealth (maal) that fulfill the need to buy bakery products (sweet bread) labeled halal then they will buy halal products without thinking about the payment process. In general, most respondents bought cash but there were some respondents who bought the bread in non-cash because of the conditions that forced them to buy the bread in cash.

This study is in line with the study of Iranita (2013) who found that the desire to buy sweet bread products labeled halal depends on the habit of buying these products in terms of payment for buying bread in cash. Whereas according to Oki and Jiwanto (2016), they found that the desire to buy halal products based on lifestyle can change attitudes and lifestyles as a major part of consuming such instant payments.

The Effect of Concern on Demand of Halal Bread

As the estimations, it showed that the halal concern variable had a probability value of t-statistic (P- value) of 0.573 which was greater than the significance level of α (0.05), then the halal concern is not stated significantly on the demand for halal bakery products. Based on

Table 6 the coefficient value is 0.053, it means that every increase in halal concern by 1 percent, it will increase the demand for halal labeled bakery products by 0.053 percent.

Islamic Welfare Function according to Imam Ghazali is *maslahah* which is the main goal in consuming goods, because the maximization of *maslahah* is a way to reach *falah*. *Maslahah* is a combination of benefits and blessings. The influence of *maslahah* on demand cannot be explained simply as the influence on the level of faith.

In this case, the halal concern for bakery products (sweet bread) labeled halal depends on the level of religious understanding and the desire to achieve goodness in the world and the hereafter. This positive finding means that the level of concern in buying bread is based on halal product, most millennial consumers already understand the importance of halal in a product that is in accordance with the Islamic tire obligations and for Islamic provisions to avoid products that are not halal.

Non-significant influences indicate that there are several millennial consumers who do not yet know the halal concerns in a product. According to him, the common bread products sold are categorized as halal without being determined by product labeling and the composition of the product. The results of this study are in accordance with the research of Iranita (2013) who states that the desire to buy halal bread products reflects the attitude of Muslims in increasing their faith, halal labeling of packaging products is a reflection of halal concern for buying a product. Moreover, according to Oki and Jiwanto's research (2016), millennials who have a secular lifestyle tend not to think about the halalness of the product both in terms of labeling and composition in making bread..
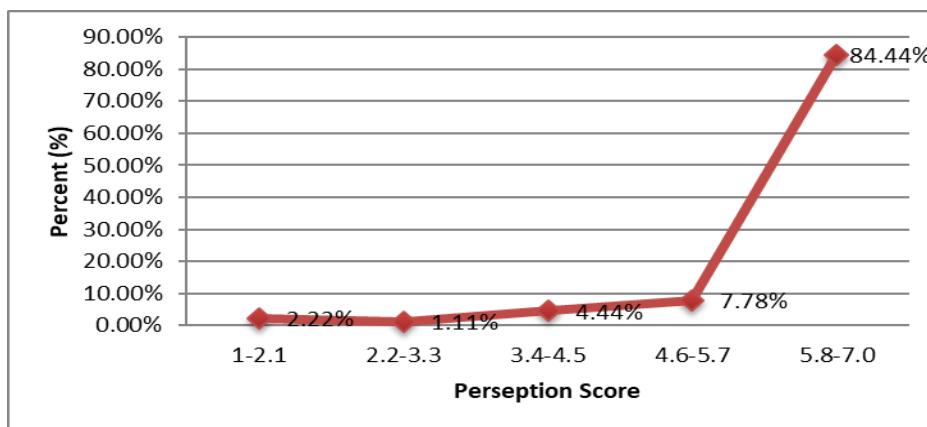
Source: Primary Data (processed, 2019)

Figure 2 Distribution of Perceptions of Respondents: Halal Concern

The determinant of the demand for halal bakery products (sweet bread) is seen from level of halal concern. Through the four indicators, it obtained an average value of 6.41, it shows that respondents also tend to strongly agree that halal concern will influence the decision to purchase halal bakery products. This means that whenever the consumers are purchasing the products, the consumers pay attention to the level of halal, the composition of food, free from unclean and halal label.

Regarding to the result on Figure 2, it strengthens the results that some respondents strongly agree with the statement of halal concern. This can be seen in the distribution of the two perception value groups where 92.22 percent of respondents which gave a value to the right which means agreeing to the question. Most respondent strongly agreed because the majority of respondents already had a good understanding of religion, therefore it is required to buy halal products. The level of halal is very important considering that Islamic law advocates the selection of foods that have a level of halal in their products. In taste, also a bakery product labeled halal was very popular among all people, especially students as millennial consumers because it is delicious and cheap and filling, halal bread is also good for body health.

CONCLUSIONS AND RECOMMENDATION

Conclusion

Based on the results of the discussion, it shows that prices were a determining factor in the demand for bakery products (halal bread) labeled halal. The influence of price and income had a positive and significant relationship, while halal concern had a positive influence but it was not significant. The difference in demand for halal bread based on taste and method of payment tends to be the same. Overall variations in the variables of income, prices, tastes, methods of payment and concern for halal can explain the variation in the variable demand for halal bread by 68.7 percent.

Recommendations

1. The results showed that prices were a determining factor in the demand for halal bakery products. Therefore, it is recommended for millennial consumers to consider the price of bread that has the quality and halal of the bakery product.

2. Effectively, halal concern had a positive but not significant effect, because it is expected that students as millennial generations will increase halal care by paying more attention to halal labeling, composition of bakery products (sweet bread) and having knowledge of halal products.

3. To the government, in this case the Indonesian Ulama Council (MUI) should pay more attention to halal-based culinary products both in terms of material composition and product quality. To outlet or seller to be able to pay attention to the halal products by distinguishing products that are not labeled halal and labeled halal.

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