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THE DETERMINANTS OF PURCHASING DECISION FOR ALWAHIDA HERBAL PRODUCTS IN PADANG LAWAS DISTRICT

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Abstract

The sales of HPAI-HNI products in Padang Lawas Regency fluctuate due to limited marketing, resulting in low consumer awareness. Ineffective promotion, high prices, and inadequate attention to halal labels necessitate a study on purchasing decisions. This research aims to analyze how product knowledge, promotion, price, and halal labels influence purchasing decisions. Consumer behavior theory guides the study, emphasizing preferences and needs in decision-making. Marketing theory informs strategies to meet customer needs, while purchasing decision theory focuses on the decision-making process. These theories are integrated with variables of product knowledge, promotion, price, and halal labels. Using quantitative methods, 264 respondents from three distributors are sampled using stratified random sampling. Data is analyzed using SEM-PLS method with WarpPLS 8.0 application, revealing positive impacts of product knowledge, promotion, price, and halal labels on purchasing decisions. The research findings indicate that product knowledge, promotion, price, and halal labels have a positive impact on the purchasing decisions for HPAI-HNI products in Padang Lawas Regency. The significance of an educational marketing approach, including workshops, local promotional investments, price adjustments, and clear halal certification, is highlighted to attract consumers and build trust in the products. Therefore, it is essential to establish partnerships with local governments or community organizations

to enhance the accessibility of HPAI-HNI products and develop health and beauty products or variants that better align with the market needs and preferences in Padang Lawas Regency.

Keywords: Price, Halal Label, Purchase Decision, Product Knowledge, Promotion

A. Introduction

The health and beauty product industry is currently experiencing rapid global growth, with a particular emphasis on products that adhere to halal standards (Global Data, 2023). This heightened focus on halal products has garnered attention from consumers embracing halal lifestyles, especially within Muslim communities (Aslan, 2023). This phenomenon reflects an increasing concern for religious aspects in health and beauty product purchases. Among the key players in this industry is HPAI-HNI (Herba Penawar Alwahida Indonesia Halal Network International), a leading company in Indonesia's halal network business. HPAI-HNI offers herbal products widely recognized for their benefits, focusing on medicines, supplements, health drinks, and cosmetics made from natural herbal ingredients. This appeals to consumers seeking health and beauty products aligned with halal values. Given HPAI-HNI's emphasis on halal herbal-based products, consumers need adequate knowledge before making informed and rational purchasing decisions.

This knowledge serves as the foundation for understanding the products and their benefits (Robertson dkk., 2018). Promotions are utilized to enhance awareness and interest among consumers (Rowley, 1998), while pricing influences purchasing decisions (Zhao dkk., 2021). Additionally, halal labels play a significant role as a factor influencing the preferences of consumers seeking halal products (Widodo dkk., 2018). Through this research, a better understanding can be gained of how product knowledge, promotion, pricing, and halal labels influence consumer purchasing decisions regarding HPAI-HNI products in Padang Lawas Regency.

In Padang Lawas Regency, HNI operates three major stockists serving as distribution centers in the area. The active participation of the



community as members or distributors of HNI products indicates a high level of interest in this business. This underscores the significant impact of HNI products within the local community. However, fluctuations in sales between these stockists suggest the need for a more consumer-oriented approach. Through this approach, consumers can gain better insights into HPAI-HNI products, which can, in turn, influence consumer knowledge about these products.

The sales report of HPAI-HNI products in Padang Lawas Regency over three years shows significant fluctuations in product sales between the stockists. Because there is a lack of knowledge among the public regarding HPAI-HNI products. Insufficient understanding of the products and their benefits poses a significant challenge affecting consumer purchase decisions. Promotions are considered crucial in influencing consumer purchase decisions but are often ineffective. Despite their importance, aggressive or unethical promotions can lead to consumer distrust. In HPAI-HNI Padang Lawas distributors, some employees occasionally promote products inaccurately, diverging from the information provided on product packaging, even though their goal is to sell the products quickly. The pricing of HPAI-HNI products is perceived as high by some consumers, presenting a barrier to their purchasing decisions. This issue is related to the perceived product pricing and can influence consumer decisions. Halal labeling influences the preferences of consumers seeking products aligned with halal values. Some consumers do not thoroughly cross-check the halal labels, assuming that as long as the halal logo is displayed, the product is indeed halal. In this context, a more consumer-oriented approach is needed to provide better information to consumers about HNI products. Effective promotion, competitive pricing, and clear halal labeling can be crucial factors in influencing consumer purchasing decisions in this region. However, challenges arise in improving consumer knowledge and ensuring ethical and honest promotion to strike the right balance between analytical knowledge and more holistic purchasing decisions.



Various studies have delved into the intricate factors influencing the purchase decisions of halal products across different contexts and product categories, which holds significant relevance to HPAI-HNI in Padang Lawas. Rahmawati's research, for instance, emphasized the role of product attributes and halal labeling in shaping consumer behavior, although it found minimal impact of halal product knowledge on purchases of South Korean skincare. Similarly, Mahri et al. revealed that product knowledge did not mediate the relationship between the country of origin, brand image, and buying decisions for South Korean skincare products (Mahri dkk., 2023). On the contrary, (Afendi, 2020) and (Khoirunnisa & Albari, 2023) studies shed light on the positive correlation between halal awareness, product knowledge, and the decision to purchase halal fashion items.

Promotions were highlighted as influential by (Santoso & Sispradana, 2021) study, while Mila & Aisyah Barlian's work underscored the importance of effective promotional strategies in influencing consumer preferences for halal cosmetics (Mila & Aisyah Barlian, 2023). However, conflicting results emerged from studies by Sipakoly and Nasution et al., suggesting that promotions may not consistently impact purchasing decisions. Apart from promotional efforts, pricing factors were found to significantly affect consumer decisions, as evidenced by research conducted by (Ayub & Kusumadewi, 2021; Isnania dkk., 2022; Martiwi dkk., 2022; Sipakoly, 2022). Mila & Aisyah Barlian's findings elucidated a positive correlation between price and purchasing decisions for halal beauty products (Mila & Aisyah Barlian, 2023), although Pringgodigdoyo's research suggested that pricing may not always be a decisive factor for consumers (Pringgodigdoyo & Nurmahdi, 2022).

Finally, halal labeling emerged as a crucial determinant in shaping purchasing preferences for halal-labeled products. (Mahri dkk., 2023) study revealed the positive influence of halal labels on purchasing decisions for South Korean skincare products, serving as a moderation variable. (Chairani dkk., 2022) findings further affirmed the affirmative impact of halal labeling on purchasing decisions for halal beauty products. Further analysis



highlighted the pivotal roles of halal consciousness and concern in influencing purchasing decisions, as illuminated by (Yusnidar, 2022) research on cosmetics. Nonetheless, Fadila's study indicated that halal labels may not significantly sway purchasing decisions (Fadila dkk., 2020). Additionally, (Isnania dkk., 2022) findings unveiled the moderation role of halal labels, reinforcing the positive correlation between product quality and purchasing decisions while mitigating the negative association between price and purchasing choices.

Research on the purchase decisions of HPAI-HNI products in Padang Lawas has been relatively limited, warranting attention due to the lack of specific focus on factors such as knowledge, promotions, pricing, and halal labeling. This study aims to address this gap by examining the unique market characteristics and consumer behavior in Padang Lawas. HPAI-HNI products have made a significant impact on the local community through marketing approaches involving members and the presence of major distributors. Therefore, the findings of this research will offer valuable insights into understanding the factors influencing consumer purchase decisions and can aid HPAI-HNI company in enhancing its performance in this rapidly growing halal industry market. Hence, the research seeks to investigate the influence of knowledge, promotions, pricing, and halal labeling on the purchase decisions of HPAI-HNI products. Consequently, the title of this study is "Determinants of Purchase Decisions for HPAI-HNI (Halal Network International) Products in Padang Lawas Regency."

B. Theoretical Review

1. Economic Development Theory

Consumer behavior encompasses the intricate process through which individuals navigate the seeking, selecting, purchasing, using, and evaluating of products or services to fulfill their needs and desires. This process involves multifaceted considerations, where buyers weigh various factors before committing to a purchase (Ajzen, 1985, 1991, 2005, 2016, 2020). Understanding consumer behavior is paramount for companies as it



allows them to tailor their products, marketing strategies, and overall business approach to effectively meet consumer demands and preferences. By comprehending the intricacies of consumer behavior, businesses can anticipate and respond to consumer needs more adeptly, thereby fostering positive relationships with their customer base and gaining a competitive edge in the market (Kotler & Keller, 2009).

Consumer behavior is influenced by an array of psychological, social, cultural, and economic factors. Psychological aspects such as motivation, perception, attitudes, and emotions play pivotal roles in shaping consumer decisions. Additionally, social influences from family, friends, social groups, and cultural norms significantly impact consumer preferences and purchasing behavior. Economic factors, including income levels, pricing, promotions, and market conditions, also play a crucial role in shaping consumer choices. Moreover, situational factors such as timing, current circumstances, and physical environments further influence consumer behavior. By delving into these factors, businesses can gain valuable insights into consumer decision-making processes, enabling them to formulate more targeted and effective marketing strategies to meet consumer needs and preferences.

2. Marketing Theory

Marketing is a multifaceted business system aimed at planning, pricing, promoting, and distributing goods to satisfy desires and reach target markets and company objectives. It involves marketers' efforts to meet market needs with goods or services, set prices, distribute, and promote them through exchange processes to satisfy consumers and achieve company goals. Within a company, marketing aims to maximize profit by devising sales strategies and is seen as a vital philosophy where satisfying consumer needs is essential for both economic and social sustainability.

The concept of marketing encompasses various orientations, including production, product, selling, societal, and marketing, each emphasizing different aspects of customer satisfaction and market orientation. Marketing strategy plays a crucial role in business success,



focusing limited resources on optimal opportunities to increase sales and attain competitive advantage. Through a holistic approach to the marketing mix, including product, price, distribution, and promotion (Abdullah, 2017; Bouteraa dkk., 2022; Kotler & Keller, 2009; Lebdaoui dkk., 2022; Sari & Ratno, 2020; Syafril & Hadziq, 2021), marketers can effectively design strategies that align with market needs, ultimately contributing to business success.

3. Applied Theory

Applied theory refers to the practical application of theoretical concepts in real-world scenarios. In the context of consumer behavior and marketing, several key concepts such as purchasing decisions, product knowledge, pricing, promotion, and halal labeling can be understood and applied in various business situations.

Firstly, purchasing decisions are influenced by a variety of factors, including psychological, social, cultural, and economic elements. Understanding the decision-making process helps businesses tailor their marketing strategies to better meet consumer needs and preferences. For instance, by analyzing consumer behavior models like the consumer decision-making process (CDP) or the Theory of Planned Behavior (TPB), companies can gain insights into how consumers evaluate alternatives, make choices, and post-purchase satisfaction.

Secondly, product knowledge plays a significant role in consumer decision-making. Consumers are more likely to purchase products they are familiar with and perceive as meeting their needs. Hence, businesses must invest in providing accurate and comprehensive product information through various channels, including packaging, websites, and customer service interactions. Utilizing theories such as the Information Processing Theory can help marketers understand how consumers acquire, process, and retain product information, thus influencing their purchase decisions.

Thirdly, pricing strategies directly impact consumer behavior. Economic theories such as supply and demand, elasticity, and perceived value can guide businesses in setting optimal prices for their products or



services. By conducting pricing experiments and analyzing consumer responses, companies can determine the most effective pricing strategies to maximize revenue and profitability while remaining competitive in the market.

Fourthly, promotional activities play a crucial role in influencing consumer perceptions and behavior. Drawing on theories like the AIDA model (Attention, Interest, Desire, Action), businesses can develop promotional campaigns that capture consumers' attention, generate interest in their products, stimulate desire, and prompt action (purchase). However, it's essential to ensure that promotional efforts align with ethical standards and consumer expectations to avoid negative repercussions.

Lastly, the halal label serves as an example of how cultural and religious factors influence consumer behavior. In markets where halal certification is significant, businesses can utilize theories of cultural marketing and religious values to understand the importance of halal certification to consumers and tailor their marketing strategies accordingly. By ensuring products meet halal standards and prominently displaying halal certification, companies can appeal to Muslim consumers' preferences and enhance their brand reputation.

In conclusion, applying theoretical concepts such as consumer decision-making, product knowledge, pricing, promotion, and halal labeling in real-world marketing practices allows businesses to better understand consumer behavior, develop effective marketing strategies, and ultimately achieve their business objectives.

C. Research Method

This research adopts a quantitative research method. This method is used to investigate specific populations or samples by collecting data using research instruments and analyzing the data statistically. The main objective is to test hypotheses that have been established beforehand. Additionally, this research falls under the category of causal-comparative



research. Causal-comparative research aims to investigate cause-and-effect relationships among the variables under study. In this research, observations are made on existing consequences, and the available data are reanalyzed to identify potential causal factors that may influence purchasing decisions of HPAI-HNI products in the Padang Lawas region. Thus, this research will aid in understanding the cause-and-effect relationship between product knowledge, promotion, price, and halal labeling with purchasing decisions of these products. Therefore, quantitative research is defined as systematic scientific research on phenomena and their relationships.

Population in a research study serves as a crucial foundation, outlining the broader group from which insights and conclusions are drawn. In this investigation conducted in Padang Lawas, Sumatera Utara, the population encompasses both buyers and members of HNI/HPAI, along with 840 individuals associated with three specific HNI/HPAI stores and stockists. The meticulous calculation of the sample size, considering factors like population proportion, accuracy level, and chi-square value, resulted in a sample of 264 respondents distributed among the three identified stockists. This strategic allocation ensures that each subpopulation is adequately represented, thereby allowing for nuanced insights into consumer behavior and preferences across different locales within Padang Lawas. By employing stratified random sampling, the research aims to capture the diversity within the population, acknowledging potential variations in consumer preferences and behaviors across different areas within the regency.

Furthermore, the choice of data collection instruments, including questionnaires, observations, interviews, and literature reviews, reflects a comprehensive approach towards gathering relevant data. These methods are carefully selected to ensure the acquisition of both quantitative and qualitative insights, thereby enriching the depth and breadth of the research findings. Through structured questionnaires, researchers aim to systematically capture consumer perceptions and preferences, while



observations and interviews provide a more nuanced understanding of consumer behavior in real-life contexts. Additionally, the inclusion of a literature review ensures that the research findings are grounded in existing knowledge and theories, thereby enhancing the validity and reliability of the study.

Data analysis in research serves as the cornerstone for deriving meaningful insights from collected data. In this study, the structural equation modeling partial least squares (SEM-PLS) method, implemented using the WarpPLS 8.0 application, is employed for data analysis. This technique allows for a comprehensive examination of the relationships between variables and their impact on the research constructs. The data analysis technique involves two key aspects: evaluating the outer model and assessing the inner model.

The evaluation of the outer model involves assessing the validity and reliability of the measured constructs. This assessment comprises three main criteria: convergent validity, discriminant validity, and reliability. Convergent validity examines the extent to which indicators adequately represent the constructs they measure, emphasizing factors such as loading factor and average variance extracted (AVE). Discriminant validity assesses whether different constructs in the model can be distinguished from one another, typically by comparing the square root of AVE with the correlations between constructs. Reliability, on the other hand, focuses on the consistency and dependability of the measurement indicators, often measured through composite reliability. Fulfilling these criteria ensures that the measurement model used in SEM analysis is valid, reliable, and capable of distinguishing between different constructs, thus enhancing the quality and accuracy of the analyzed data.

In contrast, the evaluation of the inner model focuses on the structural equations generated from the constructed model. This evaluation considers factors such as the coefficient of determination (R^2), effect size (f^2), and predictive relevance (Q^2). R^2 measures the extent to which the structural model explains the variability in the dependent variables,



providing insights into the model's explanatory power. Effect size (f^2) gauges the magnitude of the impact of independent variables on dependent variables within the model, offering insights into the strength of these relationships. Predictive relevance (Q^2) assesses the model's ability to predict dependent variables, with positive values indicating good predictive performance. These indicators collectively validate the structural model's quality and appropriateness in explaining the observed phenomena, ensuring that the model aligns with the available data and effectively predicts outcomes (Hair dkk., 2022).

Overall, the evaluation of both the outer and inner models plays a crucial role in validating the structural equation model's effectiveness in explaining the relationships between research variables. By considering a range of indicators, including R^2 , f^2 , and Q^2 , researchers can gain a comprehensive understanding of the model's performance and predictive capabilities, thus enhancing the credibility and reliability of the study's findings.

D. Result and Discussion

1. Outer Model Result

The convergence validity test serves as a critical assessment of how well measurement indicators represent the intended concepts or variables. Through the loading factor test, the study evaluates the strength of the relationship between indicators and the measured constructs, as well as how well these indicators reflect the overall variability of the constructs.

Table 1 Loading Factor

Construct	Indicator	Y	X1	X2	X3	X4	Sig.	Res.
Purchase	Y1	0.867	0.979	-0.387	0.144	-0.277	0.053	Valid
	Y2	0.752	0.565	-1.137	0.859	-1.914	0.054	Valid
	Y3	0.904	0.817	-0.462	-0.183	0.536	0.053	Valid
	Y4	0.852	-0.673	-0.383	-0.189	0.115	0.053	Valid
	Y5	0.901	-0.504	-0.410	0.243	-0.838	0.053	Valid
	Y6	0.773	-0.598	-0.814	-0.037	-0.221	0.054	Valid
	Y7	0.842	-0.204	0.359	0.221	-0.430	0.053	Valid



	Y8	0.756	-0.645	1.209	-0.305	0.834	0.054	Valid
	Y9	0.834	-0.379	0.373	-0.110	0.448	0.053	Valid
	Y10	0.840	-0.675	1.332	-0.324	0.774	0.053	Valid
	Y11	0.845	1.057	-0.253	0.024	0.013	0.053	Valid
	Y12	0.919	-0.574	0.603	-0.139	0.275	0.053	Valid
	Y13	0.939	-0.238	0.084	-0.108	0.348	0.053	Valid
	Y14	0.839	1.046	-0.159	-0.021	0.168	0.053	Valid
Product Knowledge	X1_1	-0.611	0.816	-0.839	1.023	-2.373	0.054	Valid
	X1_2	0.165	0.889	0.409	-0.263	0.719	0.053	Valid
	X1_3	0.036	0.970	0.210	-0.176	0.443	0.052	Valid
	X1_4	-0.864	0.833	-0.285	0.788	-1.864	0.053	Valid
	X1_5	0.249	0.971	-0.360	0.082	-0.111	0.052	Valid
	X1_6	0.182	0.955	0.039	-0.074	0.465	0.052	Valid
	X1_7	0.182	0.955	0.039	-0.074	0.465	0.052	Valid
	X1_8	0.022	0.967	0.435	-0.238	0.794	0.052	Valid
	X1_9	0.074	0.983	0.307	-0.167	0.625	0.052	Valid
	X1_10	0.423	0.836	-0.111	-0.755	0.306	0.053	Valid
Promotion	X2_1	-0.176	0.607	0.830	-0.245	0.757	0.053	Valid
	X2_2	-0.147	0.902	0.822	-0.159	0.534	0.054	Valid
	X2_3	-0.388	0.094	0.745	-1.125	1.614	0.054	Valid
	X2_4	0.612	0.005	0.808	-0.182	0.461	0.054	Valid
	X2_5	-0.759	-0.393	0.848	0.967	-2.208	0.053	Valid
	X2_6	-0.448	-0.698	0.773	0.853	-2.168	0.054	Valid
	X2_7	0.213	0.595	0.750	0.152	-0.331	0.054	Valid
	X2_8	-0.690	-0.949	0.762	0.224	-0.187	0.054	Valid
	X2_9	0.283	0.547	0.924	0.148	-0.329	0.053	Valid
	X2_10	0.334	0.608	0.933	0.131	-0.247	0.053	Valid
	X2_11	0.015	-0.837	0.831	-0.260	0.815	0.053	Valid
	X2_12	0.970	-0.638	0.856	-0.568	1.345	0.053	Valid
Price	X3_1	0.171	0.294	0.638	0.892	1.257	0.053	Valid
	X3_2	-0.071	0.238	0.424	0.799	0.590	0.054	Valid
	X3_3	-0.248	0.375	0.632	0.872	0.812	0.053	Valid
	X3_4	0.258	-0.099	0.215	0.918	0.580	0.053	Valid
	X3_5	-0.144	0.137	0.100	0.931	0.189	0.053	Valid
	X3_6	-0.145	-0.373	-0.742	0.795	-1.850	0.054	Valid
	X3_7	-0.049	0.188	-0.196	0.900	0.116	0.053	Valid
	X3_8	0.327	-0.222	-1.114	0.833	-1.438	0.053	Valid
	X3_9	0.066	0.004	0.767	0.905	1.021	0.053	Valid
	X3_10	0.250	-0.253	-0.909	0.926	-1.159	0.053	Valid



	X3_11	-0.426	-0.302	0.100	0.905	-0.330	0.053	Valid
Halal Label	X4_1	-0.501	0.050	-0.063	0.337	0.918	0.053	Valid
	X4_2	1.077	0.423	-0.146	-0.887	0.810	0.054	Valid
	X4_3	0.668	0.644	-0.131	-0.690	0.789	0.054	Valid
	X4_4	-0.082	-0.073	-0.786	0.320	0.922	0.053	Valid
	X4_5	-0.314	-0.373	0.209	0.054	0.936	0.053	Valid
	X4_6	-0.357	-0.409	0.189	0.108	0.956	0.052	Valid
	X4_7	-0.400	-0.325	0.193	0.111	0.878	0.053	Valid
	X4_8	0.170	0.273	0.642	0.570	0.715	0.055	Valid

The results of the loading factor test indicate that all indicators surpass the threshold of 0.70, signifying their suitability for further analysis. This indicates solid convergence validity, ensuring that the observed variables adequately capture the variability of the constructs they represent.

Table 2 AVE Test

Variabel	AVE	Titik Kritis	Kesimpulan
Y	0.721	0,5	Reliabel
X1	0.846	0,5	Reliabel
X2	0.682	0,5	Reliabel
X3	0.776	0,5	Reliabel
X4	0.756	0,5	Reliabel

Following the validation of individual indicators in the model, the next evaluation step is the convergence test, considering the average variance extracted (AVE) values of each latent variable. The AVE values reflect the level of adequate convergence validity, indicating that a latent variable can explain more than half of the variance of the average indicators. The results of the AVE test reveal that all constructs have AVE values above 0.5, indicating good reliability. Consequently, all constructs demonstrate solid convergence validity, affirming that the observed variables can explain most of the variance of the related indicators.

Table 3 Fornell-Larcker Criterion Test

Variabel	Y	X1	X2	X3	X4
Y	0.849	0.875	0.816	-0.600	-0.886



X1	0.875	0.920	0.821	-0.693	-0.915
X2	0.816	0.821	0.826	-0.645	-0.939
X3	-0.600	-0.693	-0.645	0.881	0.822
X4	-0.886	-0.915	-0.939	0.822	0.869

Discriminant validity testing focuses on distinguishing how measured constructs differ from each other in the context of inter-construct relationships. The cross-loading test evaluates the extent to which indicators within one construct correlate more with other constructs. The results indicate strong correlations between indicators within each construct and other constructs, suggesting good discriminant validity. Additionally, the Fornell-Larcker criterion confirms that the variance of each construct is greater than its correlation with other constructs, further validating the discriminant validity of the model. Thus, the model exhibits robust discriminant validity, as indicators within each construct do not correlate more with other constructs than with the constructs they are intended to measure.

Table 4 Reliability Test

Variabel	Cronbachs alpha	Titik Kritis	Composite reliability	Titik Kritis	Result
Y	0.970	0,6	0.973	0,7	Reliabel
X1	0.979	0,6	0.982	0,7	Reliabel
X2	0.957	0,6	0.962	0,7	Reliabel
X3	0.971	0,6	0.974	0,7	Reliabel
X4	0.952	0,6	0.961	0,7	Reliabel

Reliability testing, including composite reliability and Cronbach's alpha, aims to assess the consistency and dependability of measurement variables or indicators in measuring specific constructs. The results indicate high reliability for all constructs, with Cronbach's alpha values above 0.6 and composite reliability values above 0.7. This suggests that each construct and dimension can be considered reliable in measuring its variables, indicating consistency and reliability in the measurement indicators forming each construct, consistent with expected reliability



standards. Overall, the study's model demonstrates strong reliability, further enhancing the credibility and robustness of the findings.

2. Inner Model Result

The assessment of the inner model refers to the evaluation of the structural equations that emerge from a model. The number of structural equations formed depends on the complexity of the model created. The more complex the model, the more structural equations will emerge. Here is the structural model of this study:

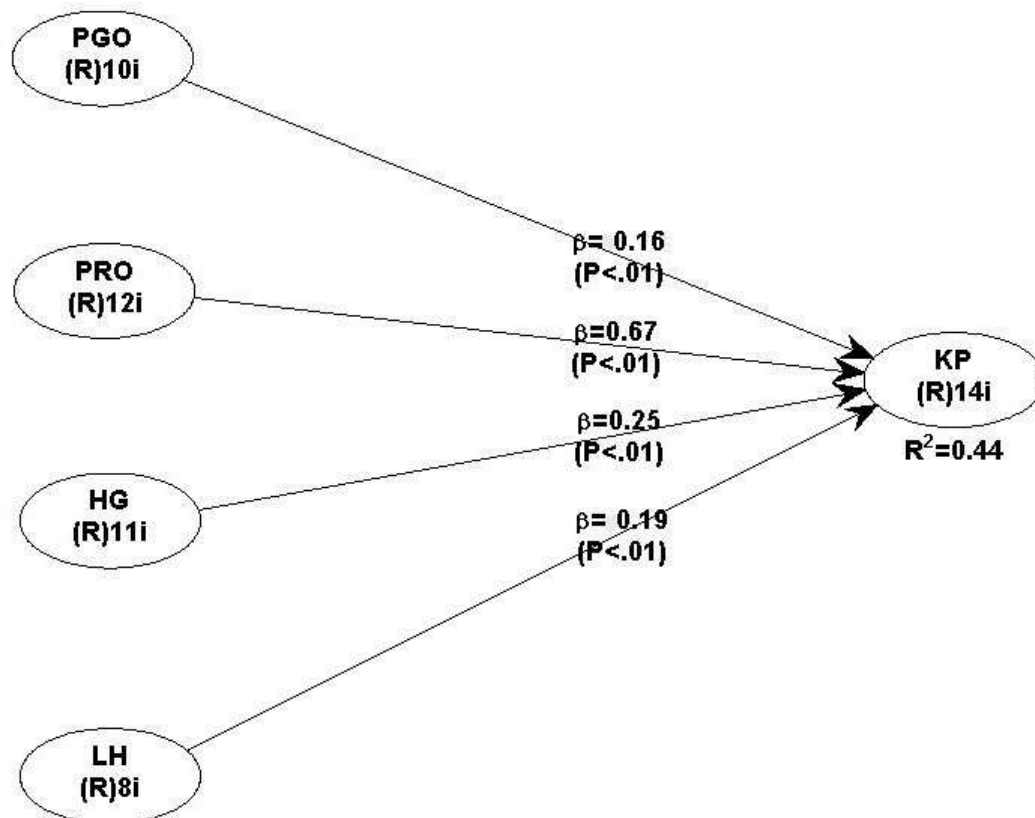


Figure 1 Structural Equation Model

Based on the path coefficient test results in the presented diagram above, the conclusions can be summarized as follows:

$$KP = 0,160 PGO + 0,674 PRO + 0,254 HG + 0,189 LH + e$$

In this study, several key statistical measures were employed to assess the structural model's adequacy and the relationships between variables. One of these measures, the coefficient of determination (R^2), quantifies the extent to which variations in the dependent variable can be explained by the independent variables.

Table 5 Coefficient of Determination

Variable	R-square	Adjust R-square	Criteria
Purchase	0,440	0,432	Moderat

In this study, an R2 value of 0.440, categorized as moderate, suggests that approximately 44% of the variability in purchase decisions regarding HPAI-HNI products in Padang Lawas Regency can be explained by the variables of product knowledge, promotion, price, and halal label. This statistic provides valuable insights into the model's explanatory power and the factors influencing purchase decisions.

Furthermore, effect size (f^2) was utilized to gauge the magnitude of the impact of independent variables on the dependent variable within the model.

Table 6 Effect Size

Variable	Effect Size	Value	Criteria
Product Knowledge	<i>Include</i>	0,44	<i>Small effect</i>
	<i>Exclude</i>	0,576	
	f^2	-0,2429	
Promotion	<i>Include</i>	0,44	<i>Small effect</i>
	<i>Exclude</i>	0,509	
	f^2	-0,1232	
Price	<i>Include</i>	0,44	<i>Small effect</i>
	<i>Exclude</i>	0,87	
	f^2	-0,7679	
Halal Label	<i>Include</i>	0,44	<i>Moderate effect</i>
	<i>Exclude</i>	0,385	
	f^2	0,09821	

The findings revealed varying degrees of influence, with product knowledge, promotion, and price showing small effects when included in the model, but exhibiting increased impact when excluded. Conversely, the halal label demonstrated a moderate effect, shedding light on the contribution of each variable to explaining variations in the dependent variable.



Predictive relevance (Q²) was another critical metric used to evaluate the model's ability to predict the dependent variable.

Table 7 Predictive Relevanc

Variable	Predictive Prevelance	Value	Criteria
Product Knowledge	<i>Include</i>	0,875	<i>Big effect</i>
	<i>Exclude</i>	0,576	
	Q ²	2,392	
Promotion	<i>Include</i>	0,875	<i>Big effect</i>
	<i>Exclude</i>	0,509	
	Q ²	2,928	
Price	<i>Include</i>	0,875	<i>Moderate effect</i>
	<i>Exclude</i>	0,870	
	Q ²	0,04	
Halal Label	<i>Include</i>	0,875	<i>Big effect</i>
	<i>Exclude</i>	0,385	
	Q ²	3,920	

With high Q² values observed for product knowledge, promotion, and the halal label, it indicates strong predictive power, suggesting that these variables can effectively explain the observed data by 87.5%. Conversely, the price variable showed a more moderate effect on the observed variable, underscoring its relatively weaker predictive capability within the model.

Moreover, the goodness of fit (GoF) statistic was employed to assess the overall suitability of the model. A GoF value of 0.576 for the product knowledge variable in the inclusion condition indicates a significant fit between the model and observational data. This measure helps ascertain the model's reliability and its capacity to accurately represent the relationships between variables.

Table 8 Hypothesis Analysis

Hypothesis	<i>Path Coefficient</i>	<i>P-Values</i>
Product Knowledge → Purchase	0.160	0.004
Promotion → Purchase	0.674	<0.001
Price → Purchase	0.254	<0.001



Halal Label → Purchase	0.189	<0.001
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Finally, hypothesis testing using path coefficients and P-values elucidated the significance of the relationships between independent and dependent variables. The results confirmed positive relationships between product knowledge, promotion, price, halal label, and purchase decisions, providing valuable insights into the factors influencing consumer behavior in the context of HPAI-HNI products in Padang Lawas Regency. These statistical analyses collectively contribute to a comprehensive understanding of the structural model and its implications for decision-making and future research directions.

E. Conclusion

- 1)
- 2) Product knowledge positively influences the purchasing decision of HPAI-HNI products in Padang Lawas Regency.
- 3) Promotion positively influences the purchasing decision of HPAI-HNI products in Padang Lawas Regency.
- 4) Price positively influences the purchasing decision of HPAI-HNI products in Padang Lawas Regency.
- 5) The halal label positively influences the purchasing decision of HPAI-HNI products in Padang Lawas Regency.

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