

The Halal Paradox: Analyzing Price Sensitivity and Actual Purchase Behavior in Indonesia's Halal Meat Market

Mesi Herawati¹, Kholilatul Khusni²

^{1,2}Universitas Diponegoro

Correspondence: mesisherawati@lecturer.undip.ac.id

Abstract

This study examines the "Halal Paradox" in Indonesia's halal meat market, where strong consumer intentions to purchase halal products coexist with actual purchasing behaviors influenced by price sensitivity. Despite high halal awareness and religiosity driving purchase intentions, economic constraints and price considerations often prevent consumers from buying certified halal meat, especially given limited access to halal meat and higher prices. Using a quantitative survey and PLS-SEM analysis, this study finds that both halal purchase intention and price sensitivity significantly and independently influence halal purchase behavior, with price sensitivity having a slightly stronger effect. The interaction between intention and price sensitivity was minimal. The findings highlight that religious values and economic factors operate in parallel, requiring industry players and policymakers to balance halal certification promotion with competitive pricing strategies to bridge the gap between intention and behavior in Indonesia's halal meat market. From a scientific perspective, this study contributes to the literature by extending the Theory of Planned Behavior through the integration of price sensitivity as a key external constraint in explaining the intention-behavior gap in halal consumption. It provides empirical evidence from Indonesia that challenges the assumption that strong purchase intention necessarily leads to actual behavior, demonstrating instead that economic considerations can override or limit intention realization.

Keywords: Price Sensitivity; Actual Purchase Behaviour; Halal Meat

Introduction

Indonesia is the country with the largest Muslim-majority population in the world, which indirectly makes the demand for halal

products a priority among Indonesian society. Data from the Ministry of Industry shows that the contributions of national halal industries such as food and beverages, textiles, pharmaceuticals, and cosmetics have helped drive national economic growth, which reached 5.03% in 2024. In fact, Indonesia's exports of halal industrial products reached USD 64.11 billion from January to December 2024 (Kemenperin, 2025). Furthermore, according to data from The State of the Global Islamic Economy for 2024, Indonesia ranks third in Islamic economic growth, which includes halal products. This growth creates an attraction and potential for the development of halal products in Indonesia.

For Muslims, halal is not just about fulfilling needs, but more than that, the halal guarantee is a form of religious observance in meeting economic needs. One credible aspect that can serve as a guideline for consuming a product is halal certification. Halal certification verifies that the product is produced, processed, and handled in accordance with Islamic principles (Agung et al., 2022; Rafiki, 2019; Rahman & Balushi, 2022). One area of focus is the meat sector, where the slaughtering process is a specific element that draws attention in determining its halal status. In the intrinsically sensitive area of meat from a religious perspective, the halal attribute should be the main value driver, taking precedence over other factors such as taste or packaging.

However, realities in the field show a paradoxical phenomenon. Although some studies show that the intention to purchase halal products in Indonesia is very high for example, studies focusing on Generation Z Muslims in Indonesia reveal a strong intention to purchase halal food products (Bawono et al., 2022; Juliana et al., 2025) actual purchasing behavior regarding halal meat still needs to be addressed. For instance, in traditional markets, much of the halal meat sold does not guarantee that it comes from certified slaughterhouses. This is evident from BPJPH data, which states that by the end of 2025, the number of halal-certified slaughterhouses (RPH) is still far from the target, with only around 230 out of 560 RPH holding halal certificates. On the other hand, purchasing meat with halal certification is still difficult for Indonesians to access due to the higher price compared to meat sold in traditional markets. This paradox raises an economic question: why does such an important

attribute in the halal food supply chain not always translate into actual purchasing decisions?

From a financial behavior perspective, this paradox can be traced to the interaction between religious preferences and economic constraints. With regard to price, when economic shocks occur, consumers generally tend to prioritize price fairness by seeking more affordable options to manage their limited budgets. This shift is reflected in an analysis of lamb consumption in Spain during the economic crisis from 2007 to 2017, where price had a greater impact on purchasing decisions than quality attributes (Kubicová & Kádeková, 2013; Rabadán et al., 2020).

Meanwhile, studies in Turkey show that consumer purchasing behavior changes during economic crises, with consumers shifting toward cheaper goods and services and restricting their expenditures, particularly on food. Within the framework of microeconomic theory, consumers face a rational trade-off between prioritizing religiosity specifically, ensuring the halal status of the meat consumed or purchasing halal-certified meat and minimizing economic costs.

Several previous studies have identified that halal certification and religiosity factors influence consumer preferences in consuming a product (Alanazi et al., 2024; Setiawan et al., 2024). For example, research in Brunei found that religiosity plays a moderating role in the relationship between awareness and purchasing decisions (Muslichah M. et al., 2019). In Belgium, Muslim consumers are willing to pay a premium of around 13% for halal-labeled meat at Islamic butcher shops compared to supermarkets (Verbeke et al., 2013). Subsequent studies indicate that consumers with higher income and education levels tend to be more willing to pay a premium for halal certification, especially when these products are available through trusted distribution channels such as Islamic butchers rather than supermarkets (Husin et al., 2024; Verbeke et al., 2013). Additionally, other research also highlights the increasing global demand for safe and ethical halal meat, driving market expansion and a stronger emphasis on certification as a guarantee of quality (Hossain et al., 2021; Röcklinsberg, 2013). Although a number of previous studies have examined consumer preferences for halal products as well as the role of religiosity in influencing purchasing decisions, research on how

price pressures on food commodities like meat affect halal compliance remains very limited. Existing literature generally shows that individuals tend to look for more affordable alternatives during economic shocks. Such critical conditions place Muslim consumers in a trade-off situation between adherence to Sharia principles and price affordability. Therefore, this study aims to investigate this "Halal Paradox" by analyzing the role of price sensitivity in either bridging or even widening the gap between halal purchase intention and the actual behavior of meat consumers in Indonesia. Using a quantitative approach through surveys, this research will examine whether halal purchase intention and price sensitivity directly influence actual purchasing behavior or serve as moderators (strengthening or weakening conditions) in the intention-behavior relationship. The findings of this study are expected to make a theoretical contribution to the literature on Islamic behavioral finance. Practically, the study will provide valuable strategic implications for industry players in formulating pricing strategies and market segmentation, as well as for regulators in designing policies to support an inclusive and financially accessible halal ecosystem.

Literature Review

Halal Purchase Intention dan Theory of Planned Behavior (TPB)

Theory of Planned Behavior (TPB) has been extensively employed to understand halal purchase intention, particularly in Muslim populations such as Indonesian youth. TPB explains that purchase intention is influenced by three key determinants: attitudes toward the behavior, subjective norms, and perceived behavioral control. Specifically, attitudes refer to an individual's positive or negative evaluation of performing the behavior, subjective norms represent perceived social pressure from important others to engage or not engage in the behavior, and perceived behavioral control relates to the perceived ease or difficulty of performing the behavior.

Studies focusing on Indonesian Muslim youth reveal that subjective norms and attitudes are significant predictors of halal food purchasing intentions. This suggests that social influences and personal positive evaluations about halal consumption strongly motivate halal purchase behavior among this group. Conversely, perceived behavioral

control appears to have a less pronounced or sometimes non-significant effect on purchase intention in this demographic, indicating that factors such as confidence in ability or control over purchasing halal products may be less critical compared to their attitudes and social influences (Pradana et al., 2024).

More broadly, the application of TPB in halal product contexts affirms that the model validly predicts purchase intentions. For instance, subjective norms were positively linked to consumer confidence, and perceived behavioral control strongly influenced intention to purchase halal products in studies of Muslim consumers, albeit in contexts outside Indonesia. These findings emphasize the importance of social and attitudinal factors over perceived control in some halal markets (Omar et al., 2012).

Thus, from empirical evidence among Indonesian Muslim youth, while all TPB constructs provide a theoretical framework, subjective norms and attitudes are key drivers of halal purchase intention, while the role of perceived behavioral control may be relatively weaker. This insight helps tailor marketing and educational strategies that leverage social influence and positive attitudes to promote halal product consumption in Indonesia.

Religiosity as a Determinant of Halal Preference

Religiosity is a pivotal factor in shaping consumer preferences for halal products, particularly within the context of the halal meat market in Indonesia. Numerous studies corroborate that heightened religiosity tends to enhance attitudes and purchasing behaviors toward halal products. For instance, research by (Tuhin et al., 2022) indicates that consumers with strong personal norms and religiosity exhibit a positive attitude toward halal purchases, which significantly influences halal buying behavior. Consumer attitudes serve as a crucial mediator linking religiosity with halal purchasing behavior.

Moreover, religiosity underlies the intention to purchase halal products through the development of attitudes and social norms, as evidenced by studies on Muslim millennials in Indonesia. This research revealed that, in addition to habits, religiosity is a key determinant in shaping intentions and purchasing patterns for halal food (Amalia et al.,

2020). The religiosity factor also functions as a moderator that strengthens the relationship between satisfaction with halal products and purchase intention, as demonstrated by a study conducted in China. In this context, the level of religiosity reinforces the correlation between awareness of halal products and the intention to purchase halal (Abdou et al., 2024).

Furthermore, the dimensions of religiosity (both intrinsic and extrinsic) exert an indirect effect on purchase intention through their influence on attitudes, social norms, and perceived behavioral control, as reflected in the theory of planned behavior (TPB). Research in India suggested that religiosity and halal literacy significantly influence the intention to purchase branded halal products, although the direct effect of religiosity on intention is sometimes negligible without mediation by other factors (Khan et al., 2022).

In the Indonesian market context, religiosity also exerts a direct positive effect on the intention to purchase certified halal meat, with halal awareness identified as a critical dimension of the Muslim consumer decision-making style. Religiosity not only has a direct impact but also strengthens the relationship between other dimensions, such as quality awareness and price, with halal purchase intention (Usman et al., 2022). Other studies emphasize that religiosity fortifies consumer trust in halal products, positively affecting both purchase intention and attitudes toward halal products from the perspectives of trust and religious practice. Additionally, attitude acts as a mediator between religiosity and trust in influencing halal purchase intention (Koc et al., 2025).

Overall, the existing literature substantiates that religiosity is a primary factor determining consumers' halal preferences and purchasing behavior. In the halal meat market in Indonesia, where the majority of the population is Muslim, consumer religiosity serves as the foundational element in shaping attitudes, intentions, and ultimately, actual halal purchasing behavior. Marketing strategies and policies that incorporate these religiosity dimensions can enhance the appeal of halal products and foster consumer loyalty in the market.

Price Sensitivity and Trade-Offs of Muslim Consumers

The price sensitivity and trade-off behavior of Muslim consumers in Indonesia's halal meat market involve complex interactions between religious adherence, product awareness, and market factors. Studies show that Muslim consumers place strong importance on halal certification as a non-negotiable attribute of food products, especially meat, aligning with religious dietary laws. Despite the critical religious requirement, price sensitivity is apparent and impacts actual purchase behavior, reflecting a paradox where consumers weigh halal assurances against economic considerations (Usman et al., 2022).

Halal consciousness emerges as a primary dimension of decision-making style among Muslim consumers, where those with high halal awareness prioritize certification, yet exhibit varying price sensitivity influenced by their religiosity levels. Specifically, price-consciousness can negatively affect purchase intention, whereas halal consciousness and hedonic or recreational considerations enhance it, suggesting a trade-off between price and halal-related trust or satisfaction (Usman et al., 2022).

Religiosity significantly moderates this relationship by reinforcing the inclination to pay a premium for halal-certified products, thus diminishing the deterrent effect of higher prices (Mutmainah, 2018; Usman et al., 2022). Additionally, factors such as perceived product trustworthiness, brand reputation, and certification validity directly influence the perceived value of halal meat, potentially justifying a higher price point (Sayogo, 2018).

Consumer behavior research in Indonesia indicates habitual purchasing of halal meat among Muslim millennials, underscoring the role of religious norms and social influences in purchase intent, and thus trade-offs are often mediated by strong attitudes and moral obligations rather than price alone (Amalia et al., 2020). Nevertheless, younger consumers' purchasing decisions are also increasingly affected by content quality and brand awareness, which can influence their willingness to accept price premiums for halal products (Arifin et al., 2023).

Overall, the "Halal Paradox" in Indonesia's halal meat market reflects a nuanced consumer sensitivity where Muslim consumers exhibit both commitment to halal compliance and price considerations. This duality creates a trade-off dynamic where price sensitivity is balanced

with religious adherence, trust, and product certification factors shaping actual purchase behavior in the halal meat segment.

Intention Behavior Gap as a “Halal Paradox”

The Intention Behavior Gap, often termed the "Halal Paradox" in the context of Indonesia's halal meat market, reflects the discrepancy between consumers' expressed intentions to buy halal products and their actual purchasing behavior. This phenomenon is particularly intriguing in Indonesia, the country with the largest Muslim population globally, where halal compliance is not only a religious obligation but also a significant market factor.

Several studies highlight that while Muslim consumers, including Indonesian youth and millennials, show strong intentions to buy halal products based on religious adherence, positive attitudes, subjective norms, and halal awareness, these intentions do not always translate into consistent purchase behavior. For instance, research on Indonesian young consumers reveals that subjective norms and attitudes strongly influence halal purchase intentions, yet perceived behavioral control how much consumers feel capable of purchasing halal products is less decisive, indicating potential barriers in actual buying despite good intentions (Pradana et al., 2024). This aligns with the paradox where consumers express high halal awareness and positive purchase intentions but do not always follow through in actual purchases.

Further examination using the Theory of Planned Behavior (TPB) extended with factors like religious self-identity and moral obligations confirms that while attitudes and religious identity drive halal consumption intentions, other factors, such as price sensitivity, availability, or trust, may hinder actual halal food consumption in Indonesia. Studies on millennial consumers also show that habitual purchase and perceived ease influence the realization of halal product purchase, but the effect of halal awareness on modifying purchase intention to actual behavior is complex and sometimes weak, highlighting the gap further (Amalia et al., 2020).

Moreover, halal supply chain knowledge and certification logos, while positively impacting purchase intentions among Indonesian millennials, do not always guarantee actual purchases, suggesting a

moderation gap between intention and behavior exists in the market (Hanifasari et al., 2024a). The halal label's influence on purchase decisions is significant, but socio-economic factors like price sensitivity often cause discrepancies in behavior under the halal paradox framework, where consumers aspire to buy halal but price constraints or market choices limit actual purchase (Millatina et al., 2022).

Another layer to the paradox involves the generational shift in halal consumption patterns. Generation Z Muslim consumers in Indonesia demonstrate strong halal awareness and intention to purchase halal food; however, Islamic branding has a diminished influence on their actual buying interest, signifying a more pragmatic approach towards halal compliance versus symbolic religious branding (Febriandika et al., 2023). This suggests that while intention based on religious adherence remains, the behavior is mediated by other practical considerations like cost, convenience, and perceived authenticity of halal certification.

In summary, the "Halal Paradox" in Indonesia's halal meat market embodies the Intention Behavior Gap where strong religious and moral intentions to consume halal products coexist with varied and sometimes contradictory actual purchasing patterns influenced by price sensitivity, market limitations, and evolving consumer perceptions. This gap points to a critical challenge for halal producers and marketers to not only enhance halal awareness and intention but to address the practical barriers that prevent intention from translating into consistent purchasing behavior in the Indonesian context.

To address the gap in prior literature, this study integrates Theory of Planned Behavior with religiosity and price sensitivity into a unified conceptual framework that explains not only halal purchase intention but also the intention behavior gap. Within this model, attitudes, subjective norms, and perceived behavioral control shape halal purchase intention as proposed by TPB, while religiosity operates both as a direct determinant and as a moderating force that strengthens attitudes and subjective norms. At the same time, price sensitivity is positioned as a critical boundary condition that can weaken the translation of intention into actual behavior. This integration highlights that intention alone is insufficient to predict behavior, particularly in the halal meat market where economic considerations and market constraints intervene.

Accordingly, this study proposes that the “Halal Paradox” emerges from the interaction between strong internal drivers (religiosity and positive attitudes) and external constraints (price sensitivity and perceived control). Religiosity enhances moral obligation and willingness to consume halal products, but high price sensitivity and limited accessibility may disrupt the intention–behavior link, resulting in inconsistent purchasing behavior. By synthesizing these variables into a single explanatory model, this research contributes theoretically by extending TPB beyond intention formation toward behavioral realization, and empirically by offering a more coherent explanation of why Indonesian Muslim consumers may exhibit strong halal intentions but fail to consistently act upon them.

Research Methods

This study employed a quantitative survey-based research design to examine the relationship between halal purchase intention, price sensitivity, and actual halal meat purchasing behavior among Muslim consumers in Indonesia. The sample consisted of 500 Muslim respondents, selected through quota sampling to ensure regional representation, with 100 respondents each from Sumatra, Java and surrounding areas, Kalimantan, Sulawesi, and Papua. Quota sampling offers a practical and efficient approach for collecting data from a large and geographically dispersed population, especially when a complete sampling frame is unavailable. It also ensures sufficient and proportionate data distribution to support robust analysis using Partial Least Squares Structural Equation Modeling.

Primary data were collected using a structured questionnaire adapted from established studies and measured using a seven-point Likert scale. Data analysis was conducted using Partial Least Squares structural equation modeling (PLS-SEM) to evaluate both the measurement and structural models. Reliability and validity were assessed using outer loadings, Cronbach's alpha, composite reliability, average variance extracted (AVE), and discriminant validity through cross-loadings and the Fornell–Larcker criterion. Hypothesis testing was performed using bootstrapping to examine the direct effects and the moderating role of price sensitivity on the relationship between halal

purchase intention and actual purchase behavior, facilitating an empirical investigation of the halal paradox within the Indonesian context.

Results and Discussion

Output Framework

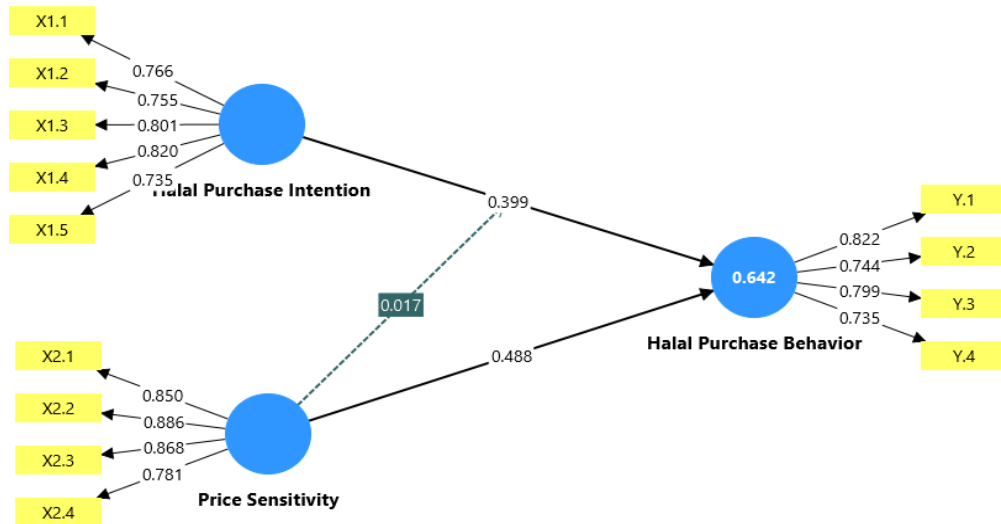


Figure 1. Output Framework

Source: Data Proceed, 2026

The figure shows a model in which both Halal Purchase Intention and Price Sensitivity influence Halal Purchase Behavior. Each of these three factors is measured using specific indicators that reliably represent them. The model found that both intention and price sensitivity positively affected purchase behavior, with price sensitivity having a slightly stronger impact. These two factors are mostly independent of each other, and together they explain approximately 64% of the variation in halal purchase behavior.

Outer Model Analysis

1. Convergent Validity (Outer Loading)

Outer loadings (also called factor loadings) represent the strength of the relationship between each observed indicator (manifest variable) and its corresponding latent construct. Higher loadings indicate that the

indicator reliably measures a latent variable. The outer loading output shows on the table below

Table 1. Outer Loadings/Loading Factor

	Outer loadings
Price Sensitivity x Halal Purchase Intention -> Price Sensitivity x Halal Purchase Intention	1.000
X1.1 <- Halal Purchase Intention	0.766
X1.2 <- Halal Purchase Intention	0.755
X1.3 <- Halal Purchase Intention	0.801
X1.4 <- Halal Purchase Intention	0.820
X1.5 <- Halal Purchase Intention	0.735
X2.1 <- Price Sensitivity	0.850
X2.2 <- Price Sensitivity	0.886
X2.3 <- Price Sensitivity	0.868
X2.4 <- Price Sensitivity	0.781
Y.1 <- Halal Purchase Behavior	0.822
Y.2 <- Halal Purchase Behavior	0.744
Y.3 <- Halal Purchase Behavior	0.799
Y.4 <- Halal Purchase Behavior	0.735

Source: Data Proceed, 2026

The outer loadings indicate the strength of the relationship between each observed indicator and its latent construct, showing good reliability for all constructs. Halal Purchase Intention was measured by five indicators with loadings ranging from 0.735 to 0.820, Price Sensitivity by four indicators with loadings between 0.781 and 0.886, and Halal Purchase Behavior by four indicators with loadings from 0.735 to 0.822. These high loadings confirm that the indicators effectively and consistently measure their respective constructs, thereby supporting the validity of the measurement model.

2. Convergent Validity (Average variance extracted (AVE))

Table 2. Average variance extracted

	Average variance extracted (AVE)
Halal Purchase Behavior	0.602

Halal Purchase Intention	0.602
Price Sensitivity	0.718

Source: Data Proceed, 2026

The Average Variance Extracted (AVE) values show how much of the variance in the observed indicators is explained by their underlying latent construct. In simple terms, it measures how well the indicators represent the concept that they are supposed to measure. Halal Purchase Behavior has an AVE of 0.602, meaning that approximately 60.2% of the variance in its indicators is explained by this construct. Halal Purchase Intention also has an AVE of 0.602, showing a similar level of explanation as above. Price Sensitivity has a higher AVE of 0.718, indicating that 71.8% of the variance in its indicators is explained by this construct. All these values were above 0.5, suggesting that the constructs had good convergent validity and their indicators reliably measured the intended concepts.

3. Discriminant validity (Fornier Lacker Criterion)

Table 3. Fornier Lacker Criterion

	Halal Purchase Behavior	Halal Purchase Intention	Price Sensitivity
Halal Purchase Behavior	0.776		
Halal Purchase Intention	0.737	0.776	
Price Sensitivity	0.761	0.756	0.847

Source: Data Proceed, 2026

The Fornell-Larcker Criterion table shows that each construct (Halal Purchase Behavior, Halal Purchase Intention, and price sensitivity) has a higher square root of the Average Variance Extracted (0.776, 0.776, and 0.847, respectively) than its correlations with the other constructs, indicating good discriminant validity. This means that each construct shares more variance with its indicators than with other constructs, confirming that they are distinct and reliably measured concepts.

4. Discriminat Validity (Construct Reliability and Validity)

Table 4. (Construct Reliability and Validity)

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Halal Purchase Behavior	0.780	0.793	0.858	0.602
Halal Purchase Intention	0.834	0.836	0.883	0.602
Price Sensitivity	0.868	0.869	0.910	0.718

Source: Data Proceed, 2026

The table shows the measures of the reliability and validity of the three constructs (Halal Purchase Behavior, halal purchase intention, and price sensitivity) in this study. Cronbach's alpha and composite reliability (rho_a and rho_c) assess internal consistency, indicating how well the indicators for each construct work together. All values were above 0.7, indicating that the constructs were reliably measured. The Average Variance Extracted (AVE) shows how much of the variation in the indicators is explained by the construct itself. Values above 0.5 indicate good convergent validity, meaning that the indicators effectively represent the constructs. Overall, these results confirm that the constructs are measured reliably and validly in this model.

Inner Model Analysis

Table 5. R-Square

	R-square	R-square adjusted
Halal Purchase Behavior	0.642	0.640

Source: Data Proceed, 2026

Table 6. F-Square

	f-square
Halal Purchase Intention -> Halal Purchase Behavior	0.171

Price Sensitivity -> Halal Purchase Behavior	0.274
Price Sensitivity x Halal Purchase Intention -> Halal Purchase Behavior	0.005

Source: Data Proceed, 2026

The results from the inner model analysis show how well the predictors explain the variation in Halal Purchase Behavior. The R-squared value of 0.642 means that about 64.2% of the differences in Halal Purchase Behavior can be explained by Halal Purchase Intention and price sensitivity combined. The adjusted R-squared of 0.640 confirms that this explanation remains strong after adjusting for the number of predictors. However, the F-square values measure the individual impact of each predictor on Halal Purchase Behavior. Halal Purchase Intention had a moderate effect size of 0.171. Price Sensitivity had a stronger effect size of 0.274. The interaction between Price Sensitivity and Halal Purchase Intention had a very small effect (0.005), suggesting that the combined interaction did not significantly affect behavior beyond their individual effects. Overall, this means that both Halal Purchase Intention and Price Sensitivity significantly influence Halal Purchase Behavior, with Price Sensitivity having a somewhat larger impact, while their interaction is negligible.

Hypothesis Test

Table 7. Hypothesis Test Result

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Halal Purchase Intention -> Halal Purchase Behavior	0.399	0.403	0.056	7.195	0.000
Price Sensitivity -> Halal Purchase Behavior	0.488	0.489	0.052	9.430	0.000
Price Sensitivity x Halal Purchase Intention ->	0.017	0.023	0.016	1.099	0.136

Halal Purchase Behavior

Source: Data Proceed, 2026

Effect of Halal Purchase Intention on Halal Purchase Behavior

The role of halal purchase intention in purchasing behavior is a crucial aspect in understanding the dynamics of the halal market, including the halal meat market in Indonesia. Halal purchase intention, which refers to the consumer's intention to buy halal products, significantly influences actual halal purchasing behavior. Research shows that halal purchase intention is affected by various factors such as halal awareness, halal certification, consumer attitudes, as well as social and religious influences. Consumers who have a high level of awareness and trust in the authenticity and certification of halal tend to demonstrate a strong intention to purchase halal products, which ultimately manifests in consistent purchasing behavior (Awan et al., 2015; Usman et al., 2022).

In addition, the theory of planned behavior (TPB) is widely used to explain the relationship between purchase intention and halal consumption behavior. TPB states that a positive attitude toward halal consumption, subjective norms, and perceived behavioral control contribute to halal purchase intention, which subsequently influences actual purchasing behavior. Studies among international Muslim populations and Muslim communities in various countries indicate that factors such as self-identity as a Muslim, social pressure, and moral obligation strengthen halal purchase intentions and drive actual purchasing of halal products (Ali et al., 2017; Sherwani et al., 2018).

Furthermore, halal purchase intention is also influenced by intrinsic psychological needs such as a sense of connectedness and competence, which provide internal motivation in addition to external factors. This shows that customers do not purchase halal products solely due to religious or social demands, but also because fulfilling certain psychological needs strengthens their intentions into actual behaviors (Syed et al., 2023).

However, it is important to note that halal purchase intention does not always directly translate into purchasing behavior, especially when

there are inhibiting factors such as price sensitivity. In the context of Indonesia's halal meat market, which faces a paradox between high halal purchase intention and significant price sensitivity, consumers may have a strong intention to buy halal products but act more pragmatically in practice by paying attention to price, which ultimately affects their actual purchasing behavior (Awan et al., 2015; Usman et al., 2022).

Overall, the role of halal purchase intention in purchasing behavior is central to this study. Understanding that halal purchase intention is affected by religious, psychological, and social factors, as well as how these intentions interact with price sensitivity and market factors, is key to explaining halal meat consumer behavior in Indonesia. Marketing strategies that maximize the increase in purchase intention through strengthening trust, clear halal certification, as well as approaches that consider price sensitivity, can help optimize halal purchasing behavior in line with consumer intentions (Aziz & Chok, 2013).

Effect of Price Sensitivity on Halal Purchase Behavior

The dominance of Price Sensitivity in influencing consumer behavior in Indonesia's halal meat market reflects that price remains the primary consideration in purchasing decisions, even when the intention to buy halal already exists. Although Indonesian consumers are generally religious and have a strong intention to purchase halal products, sensitivity to price often plays a more dominant role in shaping their actual behavior. This indicates that consumers in the context of the halal market are guided not only by religious values but also by rational economic considerations. This condition reflects the reality of the halal market in Indonesia, where Muslim consumers continue to act rationally and remain sensitive to price, despite their high awareness and intention to buy halal products. Previous research indicates that although religiosity and halal awareness can increase the intention to purchase halal products, price still remains the main obstacle for consumers in translating that intention into actual buying behavior (Mutmainah, 2018; Usman et al., 2022).

This is also evident in several studies showing that while halal awareness and halal certification have a significant positive impact on purchase intention, the final decision of consumers is strongly influenced

by product price (Hanifasari et al., 2024b; Millatina et al., 2022). These findings support the concept of the “halal paradox,” which refers to the gap between religious attitudes or intentions and actual purchasing behavior when consumers are faced with economic factors such as price. Although consumers are driven by religious values to choose halal products, high price sensitivity sometimes leads them to forgo those intentions in favor of more affordable products. This paradox underscores that religiosity is not always the sole determinant in halal product purchases; instead, it must be understood alongside economic factors that significantly influence consumer behavior (Febriandika et al., 2023; Usman et al., 2024).

Therefore, halal industry players and policymakers need to pay close attention to price when designing marketing strategies and distributing halal products to ensure alignment between purchase intention and actual buying behavior. Competitive pricing strategies, along with education about the added value of halal products, can help minimize the gap between awareness and actual purchasing behavior among Indonesian consumers in the halal market. Overall, the dominance of price sensitivity indicates that Indonesia's halal market is a religious market, yet it remains rational and strongly considers economic aspects in halal purchasing decision-making (Mutmainah, 2018; Usman et al., 2022).

Interrelationship between Halal Purchase Intention and Price Sensitivity

The very weak relationship between halal purchase intention and price sensitivity indicates that even though consumers have a strong religious motivation to choose halal products, this does not automatically eliminate their concern for the price of those products. Even consumers with religious intentions still compare prices and seek more affordable alternatives to meet their halal consumption needs. This confirms that religious values and economic considerations do not replace each other; rather, they operate in parallel in consumers' decision-making processes. Several studies reinforce this finding by showing that religiosity does increase awareness of and intention to purchase halal products, but this

does not significantly reduce price sensitivity among Muslim consumers in Indonesia (Mutmainah, 2018; Usman et al., 2022).

Muslim consumers, especially the younger and millennial generations, tend to consider both aspects simultaneously that is, they remain committed to halal principles while comparing product prices to get the best economic value (Febriandika et al., 2023; Hanifasari et al., 2024b). In other words, religious awareness and intentions do not necessarily make consumers immune to pricing strategies or discounts. Another point to note is that these religious and economic considerations are not in conflict, but rather form a dual mechanism that complements each other in the behavior of halal consumers. Consumers are not only oriented toward religious values, but also take economic factors into account to maintain a balance between spiritual and pragmatic aspects in their purchase decision-making. This is important for market players and halal product marketers to design pricing strategies that not only highlight religious compliance but also price competitiveness, so they can attract consumers optimally (Millatina et al., 2022).

Thus, research on the halal meat market in Indonesia reveals a halal paradox, in which purchase intention based on religious values does not automatically eliminate price sensitivity. Indonesian Muslim consumers tend to give equal weight to religious and economic considerations, which requires producers and marketers to understand both dimensions equally when developing their products and marketing strategies. In conclusion, the weak relationship between halal purchase intention and price sensitivity indicates that although religiosity is an important driver of halal product purchases, price remains a major consideration that consumers cannot disregard. Therefore, religious values and economic considerations run in parallel and must be taken into account simultaneously in studies of halal consumer behavior in the Indonesian market.

This finding can be further reinforced by positioning price sensitivity as a boundary condition within consumer behavior models, where strong halal purchase intention does not necessarily translate into price tolerance. In this context, even highly religious consumers remain rational decision-makers who evaluate trade offs between spiritual compliance and financial constraints. From the perspective of Theory of

Planned Behavior, this implies that intention alone is insufficient to predict behavior when external factors such as price act as constraints that limit behavioral realization. Therefore, price sensitivity does not weaken religiosity, but rather moderates how intention is enacted in real market situations. This reinforces the argument that halal consumption behavior is shaped by a dual evaluation process moral commitment and economic rationality highlighting the need for integrative models that account for both internal motivations and external market pressures.

Conclusion

This study confirms the existence of the *Halal Paradox* in Indonesia's halal meat market, where strong halal purchase intentions rooted in religious values do not always translate into actual purchasing behavior. The findings show that both halal purchase intention and price sensitivity significantly influence halal purchase behavior, with price sensitivity having a slightly stronger effect. This indicates that while Indonesian Muslim consumers highly value halal compliance, economic considerations especially price remain a dominant determinant in real purchase decisions.

Moreover, the interaction between halal purchase intention and price sensitivity is found to be minimal, suggesting that religious motivation does not diminish consumers' sensitivity to price. Religious values and economic rationality operate in parallel rather than substituting one another. These results imply that bridging the intention behavior gap in the halal meat market requires not only strengthening halal awareness and certification but also ensuring price affordability and market accessibility, making halal consumption both religiously compliant and economically feasible.

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