

The Effect of Functional Values and Emotional Values on Satisfaction and Intention to Repurchase Halal Herbal Products

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The Effect of Functional Values and Emotional Values on Satisfaction and Intention to Repurchase Halal Herbal Products



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ABSTRACT: This study aims to examine and analyze the effect of functional values and emotional values on satisfaction and their implications for the intention to repurchase halal herbal products. This study involved 200 consumers of halal herbal products in Yogyakarta, Indonesia. Respondents were selected by purposive sampling with the criteria of having consumed halal herbal products for at least the last one year. The analytical tool used is WarpPLS to test the effect between variables. The results showed that functional values had a significant effect on satisfaction, emotional values had a significant effect on satisfaction, functional values had a significant effect on intention to repurchase, emotional values had a significant effect on intention to repurchase, functional values had a significant effect on intention to repurchase, and satisfaction had a significant effect on intention to repurchase.

KEYWORDS: Functional Values, Emotional Values, Satisfaction, Repurchase Intention, Halal Herbal Products

I. INTRODUCTION

The Covid-19 pandemic has an impact on consumer behavior, especially in product purchasing patterns. The demand for herbal products during the Covid-19 period tends to increase. This is due to the high demand for these products to maintain the body's immunity. In addition, during the pandemic, the desire to get closer to God is also getting higher because many victims get sick or die due to being infected with the covid 19 virus. Therefore, the awareness of Muslim consumers to choose halal products also increases so that the demand for halal herbal products also increases. Religiosity and halal awareness increase the intention to buy halal products (Varinli et al., 2016; Bari & Kurniawati, 2019; Ishak et al., 2019).

Consumers not only consider the product from the aspect of functional benefits but also see the emotional value. Research that aims to examine the effect of functional value and emotional value on satisfaction and repurchase intention is still limited. Therefore, this study aims to examine and analyze the effect of functional value and emotional value on satisfaction and repurchase intention. The novelty of this research is shown in the combination of antecedent variables, namely functional and emotional values that shape attitudes and behavioral interests, especially halal products.

II. LITERATURE REVIEW

Functional Values, Emotional Values, and Satisfaction

The model of consumer's behavior (Kotler & Keller, 2006) has explained the relationship between perception and attitude. This means that perceived value has an effect on customer satisfaction. Kusumawati et al (2020) found that customer perceived value had a significant effect on satisfaction. According to Sheth et al. (1991) that functional value is the main driver of consumer choice. Perceived benefits include functional capacity, utilitarian, or physical performance, such as reliability, durability, and price (Lin et al., 2010). Emotional value is the perceived utility derived from an alternative capacity to arouse feelings or affective states (Lin et al., 2010). The results of Deng et al. (2010) have proven that functional values and emotional values have a significant effect on satisfaction. Arslanagic-Kalajdzic & Zabkar (2017) have also strengthened the results of previous studies on the effect of functional values and emotional values on satisfaction. Eid (2013) has also proven that there is a significant influence of quality values and emotional values on the satisfaction of Muslim tourists. Thus, the following hypothesis can be formulated:

Hypothesis 1: Functional values have a significant effect on satisfaction

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Hypothesis 2: Emotional values have a significant effect on satisfaction

Functional Values, Emotional Values, and Repurchase Intention

Consumer behavior models have explained the relationship between perception and post-purchase behavior (Kotler & Keller, 2006). Perceived functional value and perceived emotional value have a relationship with repurchase intention. Consumers who have consumed the product evaluate the functional benefits and emotional benefits of the product in question. When the perceived functional benefits and emotional benefits are greater than the costs incurred, consumers have a high intention to make repeat purchases. Thus, the following hypothesis can be formulated:

Hypothesis 3: Functional values have a significant effect on satisfaction.

Hypothesis 4: Emotional values have a significant effect on satisfaction.

Satisfaction and Repurchase Intention

Theory of Reasoned Action – TRA (Fishbein & Ajzen, 1975) explains the relationship between attitude toward behavior and behavioral intention. It can be understood that attitudes in the form of satisfaction have an effect on repurchase intentions. When consumer expectations are met, consumers tend to choose the product in question in the future. The results of research by Nurrachmi et al. (2020) shows that consumer satisfaction affects the repurchase intention of halal products. Thus, the following hypothesis can be formulated:

Hypothesis 5: Satisfaction has a significant effect on intention to repurchase.

III. METHOD

This type of research is explanatory research which aims to examine the effect between variables. The variables of this study include functional values, emotional values, satisfaction, and repurchase intention. Functional value measures respondents' opinions about the quality of halal products. Emotional value is designed to measure consumers' perceptions of the perceived utility of halal products stemming from the alternative's capacity to evoke feelings. Functional value and emotional value in this research refers to Bakar et al. (2018). The satisfaction indicator was adapted from the research of Deng et al. (2010). Measurement of repurchase intention adapted Nurrachmi et al. (2020). This study involved 200 respondents of halal herbal products in Yogyakarta, Indonesia. Determination of respondents based on purposive sampling with the criteria that respondents have consumed halal herbal products for the past year. The research instrument used to collect data was a closed questionnaire. Instrument testing uses validity and reliability tests. The analytical tool used to test the effect is WarpPLS.

IV. RESULTS AND DISCUSSION

Based on the data (Table 1), most of the respondents are female (56%), aged >45 years (33%), married (57%), and have secondary school education (38%).

Table 1. Characteristics of the sample (% of respondents, n = 200)

Socio-demographic characteristics		%
Gender	Male	44
	Female	56
Age (year)	17-25	22
	26-35	18
	36-45	27
	>45	33
Marital Status	Marriage	57
	Single	35
	Others	8%
Level of Education	Secondary school	38
	Diploma	12
	Bachelor's degree	32
	Master / Ph. D	12

Validity and reliability testing has been carried out and the results can be declared valid and reliable Table 2). This is evidenced by the correlation coefficient > 0.3 and Cronbach's alpha > 0.6. Measurement of model fit and quality indices refers to the

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WarpPLS analysis tool (Kock, 2015). The results of the fit model show that the 10 criteria that are required for WarpPLS have been met. The results of hypothesis testing (Table 3) show that the functional value has a significant effect on satisfaction. This is evidenced by the p-value <0.05. Thus, hypothesis 1 is accepted. Emotional value has a significant effect on satisfaction. This is evidenced by the p-value <0.05. Thus, hypothesis 2 is accepted. Functional value has a significant effect on repurchase intention. This is evidenced by the p-value <0.05. Thus, hypothesis 3 is accepted. Emotional value has a significant effect on repurchase intention. This is evidenced by the p-value <0.05. Thus, hypothesis 4 is accepted. Satisfaction has a significant effect on repurchase intention. This is evidenced by the p-value <0.05.

Table 2. Validity and Reliability Test Results

Variable	Indicator	Correlation Coefficient	Cronbach's alpha
Functional Value	The halal herbal product has consistent quality	0.447	0.793
	The halal herbal product is well made	0.675	
	The halal herbal product has an acceptable standard of Quality	0.655	
	The halal herbal product would perform consistently	0.625	
Emotional Value	Buying the halal herbal product would feel like making a good personal contribution to something better	0.552	0.857
	Buying the halal herbal products would make me happy.	0.562	
	Buying the halal herbal product would feel like the morally right thing.	0.586	
	Buying the halal herbal product would make me feel like a better person.	0.661	
Satisfaction	My choice of halal herbal products is a wise choice.	0.692	0.773
	I think I'm doing the right thing when I buy halal herbal products	0.660	
	Overall, my feelings towards this halal herbal product are satisfactory	0.711	
Repurchase intention	I intend to continue to consume halal products	0.898	0.881
	I will return to buy halal products as much as possible in the future	0.833	
	I will consider halal products as a priority in meeting my needs in the future	0.869	

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Table 3. Hypothesis Testing

Path	Coefficient	p-value	Conclusion
H1: Functional Value → Satisfaction	0.578	0.016	Accepted
H2: Emotional Value → Satisfaction	0.775	0.000	Accepted
H3: Functional Value → Repurchase Intention	0.547	0.022	Accepted
H4: Emotional Value → Repurchase Intention	0.864	0.000	Accepted
H5: Satisfaction → Repurchase Intention	0.782	0.000	Accepted

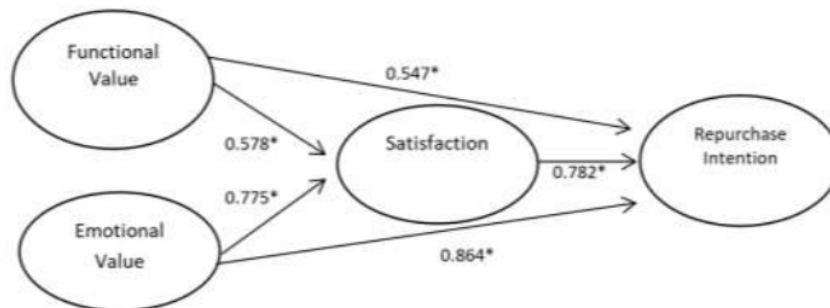


Figure 1. Final Structural Model

DISCUSSION

This study yielded several important findings. First, functional values have a significant effect on satisfaction. These results support the model of consumer's behavior compiled by Kotler & Keller (2006). Consumer perceptions of functional values affect consumer attitudes. Consistent quality, products that are made perfectly, products that comply with standards, and have consistent performance are the consumer's reference in satisfying their needs. Consumers are satisfied if they perceive a high functional value so that they are able to meet their needs. These results are consistent with the research of Kusumawati et al. (2020) that consumer satisfaction is influenced by perceived value. These results are also consistent with the research of Deng et al. (2010), Arslanagic-Kalajdzic & Zabkar (2017), and Eid (2013).

Second, the results of this study reveal that emotional values have a significant effect on satisfaction. Consumers not only want functional value, but also a product must be able to provide a sense of comfort. Consumption of halal products gives a feeling of happiness and comfort because consumers feel they have fulfilled religious rules. These results are also consistent with the model of consumer's behavior (Kotler & Keller, 2006).

Third, functional values have a significant effect on intention to repurchase. These results confirm that consumer behavior models have explained the relationship between perception and post-purchase behavior (Kotler & Keller, 2006). Consumers intend to repurchase if consumers feel they get functional benefits after consuming halal herbal products. On the other hand, consumers will stop buying if they feel that the product is not able to function consistently to meet their needs.

Fourth, emotional values have a significant effect on intention to repurchase. The emotional benefits obtained by Muslim consumers when consuming products labeled halal. This encourages consumers to make repeat purchases in the future. Consumers will prioritize buying halal products compared to products that do not have halal guarantees.

Fifth, the results of this study found that satisfaction has a significant effect on repurchase intention. These results provide empirical evidence for the theory of reasoned action (Fishbein & Ajzen, 1975) that attitudes toward objects affect behavioral intentions. Satisfaction is a strong reason for consumers to take action in the form of repeat purchases. These results are consistent with the research results of Nurrachmi et al. (2020) that consumer satisfaction affects the repurchase intention of halal products.

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The results of this study provide implications for the theory of consumer behavior expressed by Kotler & Keller (2006) and the theory of reasoned action (Fishbein & Ajzen, 1975). These results also add to empirical support for the effect of functional value and emotional value on satisfaction and their implications for repurchase intentions of halal products. This study also provides managerial contributions, especially for marketers of halal products to pay attention to aspects of product quality and halal certainty so that consumers feel satisfied and will repurchase.

V. CONCLUSIONS

The results showed that functional values had a significant effect on satisfaction, emotional values had a significant effect on satisfaction, functional values had a significant effect on intention to repurchase, emotional values had a significant effect on intention to repurchase, functional values had a significant effect on intention to repurchase, and satisfaction had a significant effect on intention to repurchase. This research has limitations. This study is cross sectional so it is not able to compare consumer behavior during a pandemic with consumer behavior during normal times. Further research can increase the research time so that the research results are more comprehensive.

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