



# A Correlational Study of Religiosity, Guilt, and Compensatory Consumption in the Purchase of Halal Products and Services in Indonesia

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The purpose of this research is to understand the correlations of religiosity, guilt and compensatory consumption in the purchase of halal products and services among 331 Muslim respondents in Jakarta, the capital city as well as the largest metropolitan city in Indonesia. Jakarta has become the meeting point of various local cultures and foreign ones and the frontier of modernization (and westernization) in Indonesia. Despite the significant growth of Halal businesses in the country, the purchase of Halal products and services are suspected to be a compensatory mechanism. The researchers employed correlational research; the results were then tabulated and compared across groups of respondents and descriptive statistics were generated for the purpose of exploring linkages between religiosity, guilt and compensatory consumption. The results of this research indicated that Indonesian Muslims purchased Halal products and services as a compensatory mechanism although the intensity of such motive was considerably low. In general, Indonesian Muslims were high on religiosity and guilt levels. The research concluded that religiosity, guilt, and compensatory consumption had significant correlations whereby religiosity and guilt were positively correlated; meanwhile, both religiosity and guilt were negatively correlated with compensatory consumption.

**Keywords:** Religiosity, Guilt, Compensatory Consumption, Halal Products, Islamic Businesses, Indonesia.

## 1. INTRODUCTION

Islam-oriented businesses and Halal consumptions have been gaining more spotlights in recent years not only from Muslim majority countries but also non-Muslim countries.<sup>23</sup> Islam-oriented businesses in general are perceived to be alternatives to what are seen to be Western values, ideologies, and lifestyles.<sup>6</sup> However, there is a growing concern that the purchase of Islamic products and services is not solely religious, but a compensatory mechanism to cope with modernization which sometimes erodes national identity as well as cultural heritages.<sup>14</sup> In general, Indonesians welcome modernization introduced by process of westernization but they definitely refuse to accept the negative sides carried along with it.<sup>19</sup>

Compensatory consumption is a coping strategy that enhances self-esteem; individuals may consume products that symbolically compensate for self-deficits in a pursuit of self-esteem.<sup>11</sup> It involves emotions and their associated motivational responses leading to behavioral actions aimed at improving the self.<sup>4</sup>

There are several characteristics of people doing a compensatory consumption: it occurs whenever an individual has a desire which they cannot satisfy with primary fulfillment so they seek

and use an alternative means of fulfillment in its place.<sup>21</sup> It can also occur when people experience an identity threat or public insecurity thus they may engage in behaviors to compensate for the perceived lack of identity or to simply impress others; therefore, certain aspects of consumption may be reactions to a more general lack of need satisfaction that is to compensate for failure weaknesses of some sort.<sup>18</sup>

In order to appeal to Muslims majority in the country which accounts for 87.18% of the total population according to Indonesian Central Bureau of Statistic (2017), there are increasing numbers of Islamic products and services marketed in the recent years. Islamic branding refers to any brands that try to address the necessities of Muslim markets.<sup>14</sup> Consequently, non-Muslim brands would likewise go under this definition if they were looking to build their brands and market shares in any Muslim market.

The purchase of Islamic products or services can be compensatory in nature. For instance, the use of hijab by Muslim women is mandated by the Qur'an, Islam's holy book. Hijab is believed as a mean to prevent Muslim women from slander and to sustain one's self-esteem in this world and the hereafter,<sup>9</sup> yet young and single Muslim women were found to wear hijab for practical reasons, such as to earn more trust from their parents so that they eventually get less constraint, and get easier permission

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to hang out with friends.<sup>15</sup> Moreover, many Muslim women in South East Asian countries have embraced Islamic cosmopolitanism that allow them to express their personalities and styles through fitted clothing, multitudes of accessories and loud unconventional colors despite having to conform to covered dressing; therefore, their motives are not solely religious but are also for beauty enhancement.<sup>7</sup>

The purpose of this research is to further our understanding on the correlations of religiosity, guilt, and compensatory consumption in the purchase of Halal products and services<sup>2,4,17</sup> among the Muslims in Jakarta, the capital as well as the largest metropolitan city in Indonesia.

## 2. LITERATURE REVIEWS

Halal encompasses various products and services, from food to fashion to hospitality and tourism, which are lawful and permissible according to Sharia Law; it encourages Muslims to seek and use products and services that promote cleanliness in every aspect of life.<sup>23</sup> Although halal is a common theme in Islam, how it is interpreted and implemented in the daily lives of Muslims is dynamic and subject to local culture.<sup>20</sup>

Compensatory consumption happens when there is a disconnection between the need and the actual purchase; certain consumptions were to reimburse disappointment or drawbacks thus those who experience dissatisfaction with the main fulfillment frequently look for the substitute.<sup>21</sup> Compensatory consumption also happens when there is a gap between what they currently feel (actual self-concept) and what they actually desire (ideal self-concept) thus such consumption is essentially to lessen the influence of negative psychological condition that may affect their tensions due to the gap between both self-concepts.<sup>8</sup> Furthermore, compensatory consumption plays a role in augmenting self-esteem. For instance, consumers would use products or services that representatively fix their self-deficits so that they can build self-esteem or utilize self-gifts as motivating, protective, or healing considerations to strengthen self-esteem.<sup>11</sup>

Religiosity deals with an individual's religious beliefs, behaviors, and attitudes. Religiosity may also be considered as the conviction that an individual possess in God.<sup>12</sup> It resembles how thorough individuals understand their religion, similarly denoted by what they perceive about religious activities and how their religious capacity leads their daily lives.<sup>1</sup> Religiosity also refers to how an individual uses religious values, beliefs, and practices for their day-to-day life.<sup>16</sup>

Consumer guilt refers to a feeling that occurs as the consequence of somebody's detection of failure to accomplish, regardless that it really occurs or even just in imagination, personal assumption or social principles, or else disrupting these principles in the perspective of consumption.<sup>4</sup> Guilt was primarily pro-social because it empowered social relationships; individuals' engagements or apathies were possibly results of regretful, remorseful, painful, and aversive feeling.<sup>22</sup> Guilt can also be defined as private thoughts of having done bad things to others or having acted in such a way that dishonored others' integrity.<sup>2</sup> Feeling guilt might induce individuals to undergo several costly acts to compensate their wrongdoings.<sup>5</sup> Religiosity had a positive correlation with guilt; somebody felt guilty or regretful as a result of violating religious values.<sup>2</sup> Meanwhile, in a study of consumer's reaction to guilt, it was found that engaging in compensatory actions were the most frequently employed actions.<sup>4</sup>

The Islamic market completely complies to Sharia law thus products and services ought to meet all the Islamic conventions and standards. There are three classifications of Islamic brands: (a) compliance based Islamic brands, (b) origin based Islamic brands, and (c) customer based Islamic brands.<sup>10</sup>

It is said that the lower the brand dependence, the higher the religiosity;<sup>17</sup> when individuals convey their self-worth through brands or religion, they unlikely require the alternating transition. This means that in showing self-worth, individuals often alternate brands with religions or vice versa.

## 3. RESEARCH METHODOLOGY

This is a correlational study by analyzing questionnaires distributed to 331 valid respondents using a combination of Microsoft Excel and Statistical Package for Social Science (SPSS) v.23. Correlational research is concerned with establishing relationships between two or more variables in the same population or between the same variables in two populations. A correlational design/method also measures two or more characteristics from the same person and then calculates the correlation between the characteristics.<sup>3</sup> The results were then tabulated and compared across groups and respondents, and descriptive statistics were generated for the purpose of exploring linkages between religiosity, guilt and compensatory consumption.

The questionnaire used in this research is divided into 3 (three) sections. The first section was filter questions. Second section was about respondent's profile. The third section was the main section regarding Religiosity, Guilt and Compensatory Consumption. 50 valid questions were grouped into three categories: 19 questions for Religiosity, 17 questions for Guilt, and 14 questions for Compensatory Consumption. Items in each variable was measured using 5-point Likert scale, from 1 (strongly disagree) to 5 (strongly agree); whereas in some items, they were measured on frequencies, from 1 (never) to 5 (always) or degree of knowledge, from 1 (no knowledge) to 5 (very knowledgeable) for greater response accuracy.

## 4. ANALYSIS

### 4.1. Respondent Profile

All of the respondents were Moslems who engaged in compensatory consumption of Islamic Products and Services. The demographic profiles of 331 respondents were based on gender, age, education level, occupation, monthly income, Islamic branches and Islamic affiliations.

Based on gender, 209 respondents (63%) were female and the remaining 122 respondents (37%) were male. Therefore, most of the respondents in this research were female.

Based on age, as many as 243 respondents (73%) were between 16–25 years old, 71 respondents (22%) were between 26–35 years old, 17 respondents (5%) were above 35 years old. Therefore, most of the respondents in this research were between 16–25 years old.

Based on education background, 29 respondents (9%) were on Senior High School level, 59 respondents (18%) were on diploma level, 230 respondents (69%) were on undergraduate level, 13 respondents (4%) were on graduate level. Therefore, most of the respondents in this research were on undergraduate level.

Based on occupation, 172 respondents (52%) were students, 90 respondents (27%) were employees on private sectors, 25 respondents (8%) were civil servants, 23 respondents (7%) were professionals, 15 respondents (4%) were entrepreneur, and 6 respondents (2%) were others (e.g., housewife). Therefore, most of the respondents in this research were students.

Based on monthly income, 138 respondents (42%) did not have any income, 52 respondents (16%) had monthly incomes less than IDR 3.400.000, 71 respondents (21%) had monthly incomes between IDR 3.400.000–5.500.000, 43 respondents (13%) had monthly incomes between IDR 5.500.001–7.500.000, 19 respondents (6%) had monthly incomes between IDR 7.500.001–10.000.000, and 8 respondents (2%) had monthly incomes more than IDR 10.000.000. Therefore, the most of the respondents in this research did not have any income.

Based on Islamic branches, 184 respondents (56%) were not parts of any Islamic branches (neutral), 144 respondents (43%) were Sunni Islam, 3 respondents (0.9%) were others (e.g., *Ahlusunnah waljamaah*). Therefore, most of the respondents in this research were not parts of any Islamic branches (neutral).

Based on Islamic affiliations, 211 respondents (64%) were not affiliated to any Islamic Organizations, 70 respondents (21%) were affiliated to *Nahdlatul Ulama* (NU), 32 respondents (10%) were affiliated to *Muhammadiyah*, 13 respondents (4%) were affiliated to *Majelis Ulama Indonesia* (MUI), 2 respondents (0.6%) were affiliated to Front Pembela Islam (FPI), and 3 respondents (0.9%) were others [e.g., *Lembaga Dakwah Islam Indonesia* (LDII)]. Therefore, most of the respondents were not affiliated to any Islamic Organizations.

#### 4.2. Descriptive Analysis

Based on Table I, the average religiosity of the respondents is 4.1902, the average guilt of the respondents is 4.2971, and the average compensatory consumption is 1.9549. The Standard Deviation for each variable is relatively small ( $SD < 1$ ) thus the results are very close in value to the mean; meanwhile, the larger the SD, the more variance in the results.

#### 4.3. Cross Comparisons of Religiosity, Guilt, and Compensatory Consumption Between Male and Female

From 331 respondents, the researchers divided them into two groups: male and female, and then we compare the two groups in terms of religiosity, guilt, and compensatory consumption. 122 (37%) were male respondents and 209 (63%) were female respondents. The conclusions are as follows:

- On religiosity level, female respondents were slightly more religious (average 4.22) than their male counterparts (average 4.13). In general, both male and female were considered very religious.

Table I. Descriptive statistics.

	N	Minimum	Maximum	Mean	Std. deviation
RLG	331	1,11	4,89	4,1902	,41980
GLT	331	1,12	4,94	4,2971	,43401
CCS	331	1,07	4,86	1,9549	,72744
Valid N (listwise)	331				

Source: SPSS 23.

- On guilt level, female respondents were slightly guiltier (average 4.32) than their male counterparts (average 4.22). In general, both male and female had a strong feeling of guilt.

- On compensatory consumption level, male respondents engaged in compensatory consumption (average 2.03) more than their female counterparts (average 1.90). Although on average the compensatory level of both groups were relatively low, but as many as 55% of male respondents engaged in compensatory consumption compare to their female counterparts (49%).

#### 4.4. Cross Comparisons of Religiosity, Guilt, and Compensatory Consumption Across Levels of Education

From 331 respondents, the researchers divided them into 4 groups: Senior High School, Diploma, Bachelor, and Master, and then we compare the four groups in terms of religiosity, guilt, and compensatory consumption. 29 Respondents (9%) were on Senior High School level, 59 respondents (18%) were on Diploma level, 230 respondents (69%) were on undergraduate level, 4% or approximately 13 respondents (4%) were on graduate level. The conclusions are as follows:

- On religiosity level, those on graduate level were slightly more religious (average 4.39) compare to other groups (SHS was 4.09; Diploma was 4.27; Bachelor was 4.17). There was a tendency that the respondents were being more religious as their education levels were higher. In general, the four groups were considered very religious.

- On guilt level, those on graduate level were slightly guiltier (average 4.49) compare to other groups (SHS was 4.19; Diploma was 4.39; Bachelor was 4.27). There was a tendency that the respondents were guiltier as their education levels were higher. In general, the four groups had a strong feeling of guilt.

- On compensatory consumption level, those on Senior High School level engaged in compensatory consumption (average 2.16) more than the other groups (Diploma was 1.78; Bachelor was 1.98; Master was 1.69). There was a tendency that the respondents engaged in less compensatory consumption as their education levels were higher. Although on average the compensatory level of the four groups were relatively low, but as many as 63% of Senior High Students engaged in compensatory consumption, 45% of Diploma students engaged in compensatory consumption, 51% of Undergraduate students engaged in compensatory consumption, and finally, 37% of Graduate students engaged in compensatory consumption.

#### 4.5. Cross Comparisons Between Workers and Non-Workers Across 3 Variables: Religiosity, Guilt, and Compensatory Consumption

From 331 respondents, the researchers divided them into 2 groups: Workers and Non-workers (e.g., students). Each variable (e.g., religiosity) is divided into 5 categories, being 1 is the lowest (e.g., strongly disagree, never, no) and 5 is the highest (e.g., strongly agree, often, yes). 153 respondents (46%) were workers whereas 178 respondents (54%) were non-workers. The conclusions are as follows:

- On religiosity level, those who worked were slightly more religious (average 4.21) than those who did not work (average 4.16). In general, both groups were very religious.

- On guilt level, those who worked were slightly guiltier (average 4.32) than those who did not work (average 4.27). In general, both groups had a strong feeling of guilt.
- On compensatory consumption level, those who did not work engaged in more compensatory consumption (average 2.08) compare to those who worked (1.79). Although on average the compensatory level of the both groups were relatively low, but as many as 46% of workers engaged in compensatory consumption compare to non-workers (55%).

#### 4.6. Cross Comparisons Religiosity, Guilt, and Compensatory Consumption Across Age Clusters

From 331 respondents, the researchers divided them into 3 groups: 16–25 years old, 26–35 years old, and above 35 years old, and then we compare the three groups in terms of religiosity, guilt, and compensatory consumption. 243 respondents (73%) were between 16–25 years old, 71 respondents (22%) were between 26–35 years old, 17 respondents (5%) were above 35 years old. The conclusions are as follows:

- On religiosity level, those who were above 35 years old were slightly more religious (average 4.33) compare to the other two groups. There was a tendency that as the respondents were older, they were more religious.
- On guilt level, those who were above 35 years old were slightly guiltier (average 4.38) compare to the other two groups. There was a tendency that as the respondents were older, they were guiltier.
- On compensatory consumption level, those who were between 16–25 years old engaged in compensatory consumption (average 2.05) more than the other two groups. Although on average the compensatory level of the three groups were relatively low, but as many as 55% of those who were between 16–25 years old engaged in compensatory consumption compare to those who were between 26–25 (36%) and above 35 (49%).

#### 4.7. Pearson's Correlation Coefficient Test

Below are the explanations of the results from Table II.

##### 4.7.1. Religiosity and Guilt

The result shows that there is a significant correlation between Religiosity and Guilt ( $<\alpha$  0.05). The power of the correlation is

Table II. Pearson's correlation table.

	RLG	GLT	CCS
Correlations			
RLG			
Pearson Correlation	1	,981**	–,203**
Sig. (2-tailed)		,000	,000
N	331	331	331
GLT			
Pearson Correlation	,981**	1	–,208**
Sig. (2-tailed)	,000		,000
N	331	331	331
CCS			
Pearson Correlation	–,203**	–,208**	1
Sig. (2-tailed)	,000	,000	
N	331	331	331

Note: \*\*Correlation is significant at the 0.01 level (2-tailed).  
Source: SPSS 23.

strong (8.0–1). The nature of the correlation is positive which means that both variables go in the same direction; as the religiosity increases so is guilt. Therefore,  $H_01$  is rejected and  $H_{a1}$  is accepted.

##### 4.7.2. Religiosity and Compensatory Consumption

The result shows that there is a significant correlation between Religiosity and Compensatory Consumption ( $<\alpha$  0.05). The power of the correlation is very weak (0.20–0.39). The nature of the correlation is negative which means that the two variables go in the opposite direction; as the religiosity increases, the compensatory consumption decreases. Therefore,  $H_02$  is rejected and  $H_{a2}$  is accepted.

##### 4.7.3. Guilt and Compensatory Consumption

The result shows that there is a significant correlation between Guilt and Compensatory Consumption ( $<\alpha$  0.05). The power of the correlation is very weak (0.20–0.39). The nature of the correlation is negative which means that the two variables go in the opposite direction; as the guilt increases, the compensatory consumption decreases. Therefore,  $H_03$  is rejected and  $H_{a3}$  is accepted.

## 5. CONCLUSION

This research aims to examine the correlations of Religiosity, Guilt and Compensatory Consumption in the purchase of Halal products and services among Muslims in Jakarta. The researchers concluded that Religiosity, Guilt, and Compensatory Consumption had significant correlations whereby the higher the religiosity, the higher the guilt, yet the lower the compensatory consumption. To be noted, correlational study does not imply influence among variables but it provides a path way for further studies, such as on the possible influence of each variable.

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