

Marketing Potential of Halal Food Products

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ABSTRACT :Through the idea of Halal Park, Halal Industry Development Corporation (HDC) has kept on helping the legislature in the improvement of the halal business in Malaysia, notwithstanding assuming a job in the acknowledgment of the fantasy of Malaysia as a halal center point world and understand the nation's potential as a worldwide halal reference focus. This is on the grounds that organizations and organizations are essential in creating nations, especially in the monetary development and make employments for the network when all is said is done. Socioeconomic institutions such as the market that ensure human welfare is a concept that is emphasized in Islam. But in Malaysia too few studies regarding the setting of benchmarks and guidelines for the verification and certification of halal global and strategic alliances and resource sharing capabilities in the global halal market.

KEYWORDS: Halal industry, Potential for halal foods, Halal reference, Factors affecting, Networking.

1. INTRODUCTION

The advancement of the halal business in Malaysia is progressively making advances especially in the worldwide halal sustenance halal items which have brought Malaysia's name up according to the world. The interest for halal nourishment items is relied upon to keep on ascending because of expanding populace developing, contacting two billion individuals in 57 nations, most of individuals in the realm of Islam [1].

At present, the Halal Industry Development Corporation (HDC) created an impression that Malaysia's Halal industry is esteemed at US \$ 30 billion and is relied upon to ascend by 25% inside the following 5 years [2]. The advancement of halal industry in Malaysia is right now appearing potential regarding expanded benefit through business openings that can be investigated in the market for halal items is even ready to decrease the joblessness rate.

Different methodologies created to help the improvement of the halal business in Malaysia as in the Second Industrial Master Plan, 1996-2005; National Agriculture Policy, 1998-2010; Ninth Malaysia Plan (RMK-9), 2006-2010; and the Third Industrial Master Plan (IMP3), 2006-2020. Some past investigations about the halal sustenance industry was directed by specialists, for example, [3], [4], [5], [6], [7], [8], [9] and [10]. The greater part of these analysts will in general have an inspirational attitude toward the future prospects of halal sustenance items in Malaysia. So is the conclusion of certain researchers, for example, [11], [12] and [13] are additionally sure that the halal sustenance industry has extraordinary potential and will keep on having accomplishment in the years to come whenever given the suitable motivating forces and get support from the administration.

Service of Education (MOE) has focused on five percent or 7,512 alumni to move toward becoming business visionaries by 2020 [14]. In Malaysia, government organizations and private segment at different dimensions play a critical duty in drawing in for the most part locals of Malaysia in business enterprise and little and medium undertakings (SMEs). This field can contribute altogether to the nation. As per [15] business visionaries make new organizations as well as give work openings that lead to the formation of new revelations, new advancements and development.

As indicated by [16] said that a portion of the body in charge of guaranteeing the improvement of business people such as Tabung Ekonomi Kumpulan Usahawan Niaga (TEKUN), Majlis Amanah Rakyat (MARA), UDA Holdings Bhd, Bank Pembangunan, SME Bank, SME Corp, Perbadanan Nasional Berhad (PNS), Bank Rakyat, Jabatan Pembangunan Koperasi

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POTENTIAL FOR HALAL FOOD PRODUCTS ACROSS THE BORDER OF RELIGION AND STATE

Malaysia has been stunned by the issue of unlawful nourishment items polluted with DNA notwithstanding prestigious diners that don't have norms even damage halal dietary guidelines set by the legislature. The issue wound up basic talk is centered around the necessities of clients searching for halal items which have the endorsement of halal affirmation while to reestablish certainty to pick items that fulfill the guidelines set [17]. Expanded mindfulness, instruction and advancement of the nation impact the improvement of the halal business. It energizes the advancement of the nation's halal nourishment industry which supply sustenance that is protected, perfect and high caliber and standard guarantee terms. In light of assessed projections, dynamic industry of halal items and Islamic fund to make an incentive by US \$ 7 trillion, which is comparable to RM22.4 trillion. In this way, don't be astonished if the halal business and Islamic fund is rising as the world's fourth biggest monetary alliance. Inclination halal declaration and logo ought to be worried to guarantee that the halal status of items ought to likewise be worried about the quality, cleanliness and prosperity [17]. Potential advancement of halal items isn't constrained to Muslim purchasers, notwithstanding picking up force and acknowledgment among clients of non-Muslims as common to accept that halal nourishment items have passed the investigation and control of severe norms.

1.0 FACTORS AFFECTING THE HALAL FOOD INDUSTRY IN THE CONTEXT OF INTERNATIONAL

In view of the examination by Yang, Dube, and Huang (2016) found that the components that influence the halal sustenance industry internationalization among "lower acknowledgment of outside market", "the absence of reasonable and dependable abroad accomplices", "mind-boggling expenses of halal coordinations channel", "thorough passage terms", "troubles in setting up generation and showcasing exercises abroad", "serious deficiency of interpretation and business abilities", "challenges in correspondence", "item competitiveness" and so on [18]. The following are some key factors that influence the internationalization of the halal nourishment industry:

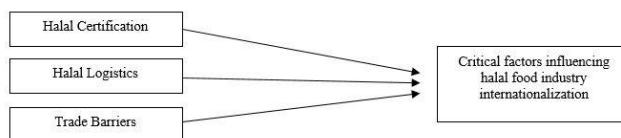


Figure 1: Critical factors affecting halal food industry internationalization.

Halal Certification

Halal confirmation is a center factor in the universal halal nourishment industry improvement by numerous scientists [19, 20]. Halal nourishment is an extraordinary sustenance with exacting observing and satisfying their religious commitments, have severe prerequisites for the fare, just authority halal confirmation which is perceived just by the objective nation, and have the capacity to enter worldwide markets with high potential [21]. In China for instance, the absence of halal nourishment accreditation gauges, affirmation and capability benchmarks for halal sustenance creation shifts relying upon the territory/district. This is a tremendous deterrent for China's halal sustenance industry in increasing worldwide acknowledgment, subsequently keeping the fare of halal nourishment.

1.2 Halal Logistics

Worries about halal nourishment items in the shopper or client, however includes the whole inventory network organize legitimately from the distribution center as far as possible, that is from homesteads straightforwardly to purchasers [22]. Halal idea additionally covers the whole production network, halal coordinations issue in the nourishment business and coordinations industry itself, which prompted the activity as an affirmation that the coordinations task as per halal measures [23]. Halal coordinations exercises comprise of transport, warehousing, material dealing with, acquirement. As indicated by Tieman (2013), the coordinations of traditional exercise limitation by not having halal item halal assurance for clients of Islam in Muslim nations and non-Muslim nations [24]. For Islamic nations, halal coordinations depends on maintaining a strategic distance from direct contact with illicit items, dangers of item defilement, and the client's view of Islam.

1.3 Trade Barriers

One essential piece of the halal nourishment industry that is severe exchange boundaries for fare of halal sustenance [25]. In 2013, Saudi Arabia direct organizations that produce meat and poultry items to pay an enlistment expense before sending out to Saudi Arabia. Furthermore, safety efforts GCC on

sustenance security likewise expands the danger of fare halal nourishment items. On the off chance that there are organizations that don't pursue the guidelines and guidelines don't need to send out the GCC level, there are grumblings from purchasers, the organization needs to trade this meat will be carefully restricted [25]. In light of the examination by Yang, Dube, and Huang (2016) likewise discovered that some checking of nourishment wellbeing, particularly for halal meat items are exceedingly agreeable in some Arab nations, security observing is normally directed through the production network all in all, to be specific, the action of butchering, handling, stockpiling and bundling, and transportation, which are presently expanding the trouble of sending out halal sustenance [18].

2. HALAL FOOD PRODUCTS INDUSTRY IN MALAYSIA

As indicated by the Halal Industry Development Corporation (HDC), Malaysia's halal fares are relied upon to take off from RM34.5 million of every 2013 to RM99.5 million out of 2020. Explanation by [26] that the advancement of halal parks or dietary gathering is vital in light of the fact that it is a need for any legitimate industry to turn into a worldwide halal center. This is on the grounds that the presence of halal parks will permit halal makers, brokers, providers, coordinations specialist organizations (LSP), confirmation bodies and purchasers can be straightforwardly engaged with the halal business. The aftereffects of past examinations by the scientists [27] found that a nation that needs to make a halal park and got acknowledgment as a worldwide halal center point ought to guarantee the capacity of the framework to help the halal inventory network all around and halal affirmation bodies. While the announcement by [26] and [27] that Malaysia is truly appropriate for structure a halal park and a worldwide halal center point for the halal business as a result of its key area and present day framework when contrasted with Muslim nations to another.

In addition to the market's requests, the development potential of this industry in Malaysia can develop a life affirming their full support of the government in providing infrastructure financing, infrastructure, marketing, repair base, advisory services, reputation and recognition. Some strategic areas identified to be halal parks in several states in Several Peninsular of Malaysia and in Sabah and Sarawak. In the Ninth Malaysia Plan (10MP) (2006-2010), the government has allocated RM50 million to develop the

first phase of halal parks in six states in Malaysia. According to [28] stated that there were 700 firms operating in each of the halal park.

Seriousness in realizing Malaysia as a halal food hub of the world can be seen through the World Halal Forum (WHF) held by several government agencies each year to promote Malaysian halal food products brands through the Malaysia International Halal Showcase (MIHAS). The combination of strong public and private agencies in particular Malaysia External Trade Development Corporation (MATRADE) to make a success of MIHAS, while the combination of Halal Industry Development Corporate (HDC) and KasehdiaSdnBhd for the World Halal Forum (WHF) [29].

a. NETWORKING, SOCIAL RELATIONS & MARKETING

Findings by [30] suggest a combination of factors have a significant entrepreneurial success of an entrepreneur. Even entrepreneurs also need to combine their leadership and power network in order to transmit or access to information that is relevant and important. This is consistent with studies conducted by [31] who found a weakness in marketing among small entrepreneurs in Melaka Halal food centre is a lack of guidance and sharing of opinion because of a lack of cooperation networks among entrepreneurs. Comments and opinions by researchers such as [32] emphasizes that companies should share the ability and potential and existing resources with others to create a new entity to gain a competitive edge by developing strategic alliances with. This will enable the participating companies can get the benefits that ultimately increase profits from alliances that are managed effectively.

Meanwhile, a study conducted by [33]& [34] showed that social media (social networks) have a significant influence on the level of competitiveness and success of a firm. The entrepreneurs also recognize that these elements are able to form social capital important to their careers. However, the problems faced by entrepreneurs is how to build social capital indicators for the network. The results of this study are consistent with findings by [35] which shows that family support, social relations and internal motivation positive impact is very significant to the success of entrepreneurs.

b. MALAYSIA HALAL WORLDS REFERENCES

Some essential dietary measures utilized for the creation of halal confirmation in the

usage of halal norms for halal industry in Malaysia to be specific Malaysian Halal Certification Procedure Manual (third modification) 2014, propelled on 15 December 2014 and started to be completely embraced beginning first January 2015, MS1500: 2009 Food Halal-generation, Preparation, Handling and Guidelines Storage-General (second update) [36] Guidelines Management Systems Halal Assurance Malaysia Halal Certificate (GGHMS) 2012 [37] of the Food Act 1983 and its guidelines, Decision of the Council of state for Religious Affairs Fatwa Islam or fatwa announced by the state.

Organizing MIHAS received and encouraging the participation of several countries such as Italy, Albania, Belgium, Hong Kong and Romania [38]. This situation shows that foreign countries, especially non-Muslim countries are beginning to realize the great potential in the halal industry. It is to be another stepping stone and an opportunity for Malaysia as the host for the organization of such foreign companies will invest and significantly to increase revenue and the economy.

Malaysia is the first country to develop halal food standards in accordance with the Malaysian Halal Standard (MS1500:2004). This proves that Malaysia has the advantage and industry-leading expertise in halal and capable of producing halal standard that can be implemented and applied throughout the country. The findings by [39] stated that the government is engaged proactively with eight industrial parks set up production and encourage the entrepreneurs and traders to participate in the halal industry and offer attractive incentives to those among which the import duty exemption of raw materials and benefits.

There are a few contrasts of reasoning about the idea of halal and is identified with the traditions of various nations. Bureau of Islamic Development Malaysia (JAKIM) has been perceived by 54 accreditation bodies from 32 nations [40]. What's more, JAKIM has additionally perceived four national specialists will most likely give direction to customers when purchasing halal items abroad [41]. Malaysia is likewise one of the Muslim nations that perceive the percussive stunning adequate by all [41]. The way to the improvement in the global exchange of halal uprightness is straightforwardness with the goal that buyers can settle on an educated choice [41], [42] and [43].

3. CONCLUSION

Malaysia is now seen to have the potential to become a national reference in the halal industry and is very much in line by the Islamic Food and Nutrition Council of America (IFANCA) headquartered in the United States has determined that, halal certificate for a product which will be brought into the United States only recognized if you have halal logo Malaysia (JAKIM) [41]. Even so, there are some countries that do not have a representative to verify and monitor the halal status of a product that is produced in the country, then there is an urgent need to have a benchmark similar and consistent to ensure that all agencies or organizations that validate and adopt guidelines to correct the halal certification process [44]. Based on the opinion by [32] states that firms and companies need to share capabilities and potential as well as the resources available to other entrepreneurs to create a new entity to gain a competitive advantage in penetrating global-pair [45,46]. This is because, in very less research on the setting of benchmarks [47] and guidelines for the verification and certification of halal global and strategic alliances and resource sharing capabilities in penetrating the global halal market.

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