

Key Challenges and Issues Consumer Face in Consuming Halal Product

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Abstract

Halal businesses involving goods and services are experiencing an amazing growth. The Halal industry has become a lucrative industry contributing to an exceptional business opportunity for the industry players and entrepreneurs. Despite its great potential, especially its huge market covering local and international markets, the various challenges faced by the local industry has limit their performance on serving the halal market. Due to this constraint, consumers have misperception on the halal products availability in the market. Therefore, this study aims to review the consumers' challenges and concern, particularly in consuming halal products. In addition, future recommendations in dealing with the consumers' issues concerning the halal products are discussed and presented.

Keywords: Global Issue and Challenges of Halal, Misperception of Halal, Consumer Perception, Halal Products, Halal Industry

1.0 Introduction

The concept of halal is an absolute concern to the Muslim consumption which there adheres to the prescribed value system stipulated by the Islamic of Syariah Laws which comprises the permissible and prohibition (Mohani, 2014). Basically, halal is associated with food products, however, it is more than just about food (Mohamed Syazwan & Mohd Remie, 2012). Muslims around the world are known to be obligated to incorporate halal food in their diet (Mohamed

Syazwan & Mohd Remie, 2012). Halal is an Arabic word which carries the meaning of being lawful and permitted. Halal also refers to anything that is free from any component prohibited for the Muslims consumption. One must understand that the halal concept is accompany with the concept of Tayyib, which refers to wholesomeness or purity, safe, and nutritious (Kamaruddin and Jusoff, 2009). When it comes to dietary, Muslims are obligated to consume food that is permitted and lawful. The products consumed by the Muslim consumer must be free from the contamination of haram or unlawful substances (Mohani, 2014; Hassan 2013).

Given the speed of trade globalization, the Halal industry is progressing and becoming a significant industry locally and internationally. The growing population of Muslim community worldwide has triggered a monumental demand of the halal product. Moreover, Halal is becoming an essential global trademark underpinning the quality assurance and credence of the related trade (Mohamed Syazwan et al., 2013). Despite the strong development of halal industry, certain Halal issues are noticeably and significantly impacting the market. Past literary works (e.g. Othman et al., 2009; Mohamed Syazwan & Abu Bakar, 2014; Mohd Aliff et al., 2015) discussed extensively about the challenges and issues that encountered by the industrialist in supplying halal product in the market. Nevertheless, the academic publication concerning consumer challenges with regards to Halal consumption is still very limited. Consumer is a major critical success factor for most businesses perspective; in fact, this has become the relevant ground of this paper in reviewing consumers' issues with regard on Halal concept products. Realizing that, this review seeks to discuss the issues and challenges as well as the current situation of halal product by focusing on the consumer perspective. The remainder of the paper is organised as follows. Firstly, this paper discusses the introduction of the Halal industry. Then, this paper covers the review on challenges of the consumers' perspective related to the halal product and consumption. The reviews comprises halal logo issue, misconception of the product origin, labelling issue, uncertainty of substances in producing halal product, and the Halal literacy issue among the consumers. Lastly, this paper provides some potential recommendations in dealing with the above-mentioned issues and challenges.

2.0 Literature Review: Issues and Challenges of Halal

In light of this paper, the researchers identify several issues and challenges of the consumer face with regard to Halal consumption. The issues and challenges are as follows:

2.1 Halal logo issue

One of the most vital elements of halal food packaging is the Halal logo. Consumers rely heavily on the Halal label on the product package as it communicates important cues of the halal-ness of the product (Hifza et al., 2010). Credence of food is imperative to the consumers as it validates the products assumed to be Halal (Rezai et al., 2012) and bring doubt to the reliability of the Halal logo used by the manufacturer (Shafie et al. 2006). For instance, there are cases of some food operators displaying various type of private Halal logo at their premises with the intention of misleading the consumer and enticing them to frequenting their premises (Illyia et al., 2011). Some companies mischievously misused the Halal logo so as to avert the consumer

suspiciousness of the ingredient used in their product (Mohamed Syazwan & Mohd Remie, 2012). Surprisingly, there are also some cases in which the consumers were doubtful of the authenticity of the Halal logo on the food packaging, despite the fact that it is accredited by a distinguished authority such as the Department of Islamic Development Malaysia (JAKIM) (Mohamed et al., 2008). Consequently, consumers, particularly the Muslim were skeptical over the credence of the Halal logo used by the manufacturer (Grunert, 2005). Muslim consumer are facing earnest challenges with the halal issue; uncertainty about the credence of the product claimed to be Halal and the lack of enforcement in monitoring the Halal food certification become a major concern for them.

2.2 Misconception of the product origin

Another possible issue encountered by the consumer of Halal product is attributed to the products' origin. Bonne et al. (2007) revealed that Muslim consumers are most cautious when choosing and buying food product. They preferred to purchase and consume halal food product from their own country or other countries with predominant Muslims population. Therefore, consumers tend to be skeptical of food products imported from non-Muslim countries such as China, New Zealand, the European countries, and even Thailand (Rezai et al., 2012). This can lead to the misunderstanding of the consumer believing that presuming that country that related with Islam religion may produce the most of the Halal product. Although it might be true that Islamic country does have a close indication to produce Halal products, yet it depends on the manufacturer that produced the product. Moreover, much of the misperception of the westerner is closely related to the notion that all Arabs is Muslims can be confusing to some consumers as by right Arabs countries and Islam people may be varied (Rios et al., 2014). In accord to the earlier discussion, there is an urgent call for the scholar to continuously look into the issue of country of origin for the Halal product (Borzooei and Asgari, 2015). Moreover, currently, consumers are concern over the issues of numerous Halal logos from various countries and certifying agencies (Mohamed Syazwan & Mohd Remie, 2012). The issue might lead to consumers' confusion and difficulty to choose an authentic halal product.

2.3 Labeling issue: Misuse of Islamic images and terms on product packaging

Consumers were also being deceived by images and words used on the product packaging. There are some products in the market that used Arabic words and displayed images attributed to Islam to deceive the consumers. Shari et al. (2013) revealed that certain unethical company purposely used the Arabic-sounded or Islamic-signalled brand names, even to the extent of displaying selected Quranic verses to trick the consumer into believing the product to be Halal. Furthermore, some consumers take for granted the Halal word or the Halal logo without questioning their authenticity. On top of that, some unethical manufacturer tend to use Islamic images on the product packaging to imply that the product is Halal. There even dare to misuse the term "sunnah" on the product packaging to induce consumer positive acceptance of the product (Muhamad Shukri, 2017). The consequences of the labelling exploitation can lead to confusion among the consumer and may also jeopardize the company's future. Notably, in order to guide the consumer on buying a halal product, the product packaging must consist of

the name or brand of the product, minimum content in metrics, name and address of manufacturer or distributor, list of ingredients, code number representing production batch, and manufacturing and expiry date as well as the Halal logo from recognized certification agencies. All of these information must be legitimate (Mohamed Syazwan & Mohd Remie, 2012).

Apart from the food product, a Halal standard also applies to other non-edible products for Muslims. In a recent case reported by Norzamira (2017), the Ministry of Domestic Trade, Co-operatives and Consumerism Malaysia seized paint brushes of various types believed to be made from pig bristles at three hardware shops in the state of Selangor. The incident has attracted much attention and triggered debates from the Muslim consumer which also prompted their concern on the issue of Halal-ness of non-food product offered in the market today. Consequently, many consumers, particularly the Muslims are suspicious of the products in the market as they are not privy to the Halal status of the product. There are strong needs for entrepreneurs dealing with food and non-food product to clearly segregate their products according to their Halal status. Although in Malaysia, it is not mandatory for entrepreneurs to label their products as Halal or otherwise (Hashanah & Hifz, 2011), they are advised strongly to display a proper labelling to inform the consumer on the classification of the product.

2.4 Uncertainty of the substances used in Halal product

The growing advanced food industry today has provided a variety of food substances that initiated from either plant or animal origins. Notably, the Muslim consumers' assessment of the Halal product was most likely effected by how they are familiar with the product's ingredients. Most of the time, consumers are unable to determine which foods are Halal simply by reading the label on the packaging of a product (Batu & Regenstein, 2014), this is due to the fact that some producers used specific terminology of the component in their product, in which the terms are most probably unfathomable by the average consumer (Davies & Wright, 1994). Therefore, some consumer tends to be suspicious of the substance used in the product because of their unfamiliarity with the content. The substance can only be recognize after going through a stringent examination of the product by certain bodies.

Additionally, the rapid developments in food technology have spurred the advancement of the world food market today. The issue of genetically modified (GM) food is one the recent development in food technology that bugging the consumers mind. Genetically Modified foods are known as a source of food that has been modified genetically in the part its genomes (Zhang, Wohlhueter & Zhang, 2016). In a layman terms, a GMO food is foods that have been artificially altered to mimic the natural foods. The issue regarding GMO is clearly justified under the Malaysian Standard (MS1500:2009; 3.5.1.6): "Foods and drinks containing products of genetically modified organisms (GMOs) or ingredients made by the use of genetic material from animals that are non-halal by the Shariah law are not halal". Despite the government aspiration in supporting the development of GMO, the public, particularly the Muslim consumers have raised their concern over the ethicality and the halal state of the GMO (Mariam, 2016). Clearly,

under the above-mentioned Halal standard, any foods claimed to be Halal must be free from any genetically modified elements that were sourced from non-Halal substances. With regard to the issue of GM food, the consumer are becoming more concern of consuming the Halal product that uses genetically modified elements as it elicited suspicious thought over the ingredients used in the food (Mohd Aliff et al., 2015).

2.5 Halal Literacy

Another major issue that requires earnest attention is pertain to the Halal literacy of the consumer. According to Connor (1988), the consumers' understanding, awareness, and familiarity with the food they consumed are built upon many factors that consist of personal sentiment, societal, and other environmental factors. As evidenced by the study conducted by Hashanah and Hifza (2011), despite the fact that the majority of consumers today are highly educated and can easily access any type the information, their level of Halal literacy vary. There is great resistance among some of the consumer because they misunderstood the true meaning of Halal. Some of them tend to associate Halal with religious ritual, especially the slaughtering and for this reason the consumers feel unpleasant towards the product claimed to be Halal, due to the lack of knowledge on this subject (Elasrag, 2016).

The universal concept of Halal in food production holds the notion of being clean, healthy, and free from any kind of contamination not only from pork and alcoholic substances (Kasmarini et al., 2015; Selvarajah et al., 2017). Undeniably, the Halal principles are religiously-related concept; however, the principles connote healthy and hygienic cuisine and appeal to the health-conscious people (Khan & Haleem, 2016). Promoting the Halal concept and making it easily acceptable to all types of consumer, it should not be viewed as offensive to any religious belief as Halal should be understood as a good standard in producing the product where it put forward the theme of hygienic and safety to the product (Liow, 2012; Kasmarini et al., 2015).

3.0 Conclusion and Recommendation

Based on the review of the extant literature and research by the previous researchers, this paper summarised the consumer issues with regard to Halal concept. The issues on Halal consumption are becoming more complex as the consumer expectations are increasing with the growing knowledge of food safety and quality issues. Kleinnijenhuis and Van Hoof (2008) argued in order to understand the public, the government should capitalise on the provision of the public information. Accordingly, to avoid the misinterpretation of issue related to the Halal market, the governments and the general public need to work together through the establishment of consumer interest group such as the Malaysian Muslim Consumers Association (PPIM). In this context, communication plays a vital role in reaching out to the consumer. The consumer special interest group representing the end user can act as a whistleblower to reveal the actual scenario in the market. The government should also be involved and actively engaged with the consumer as they are the perfect source of information when it comes to detecting transgression and deception in the Halal market as the consumers

are in direct contact with the market. The dynamic collaboration between the government and the consumer interest group will facilitate information dissemination and helps to thrive the relationship between the public and the government. Halal logo provides the avenue for the manufacturers to specify that their product is aligned with the Islamic standard. A full commitment from all concerned parties of the market is needed to ensure a successful monitoring and controlling effort to refrain the Halal logo abuse by irresponsible manufacturer. It will eventually enhances the consumer's confidence towards the Halal logo. Therefore, a well-regulated and strong coordination of global accepted accreditation Halal system in the attempt to avoid confusion among the consumer should be put in place. Apart from using the Halal logo to mark the status of the product, the entrepreneurs are also advised to have a proper segregation system to differentiate the Halal from non-halal product. Another essential recommendation is by labelling the non-Halal product with a proper non-Halal label as this can help the consumer to make a proper choice for their purchase. This initiative signifies business entities that are reliable and sensible towards the consumer need. Obtaining a Halal certification will create a significant advantage for the manufacturers against its rivals. Notably, currently, there are about 67 certified Halal bodies from 40 over countries acknowledged by JAKIM, Malaysia (JAKIM, 2017). Each of the certified Halal bodies has also applied their own Halal logo that legitimately indicates the Halal status of the product. Having various legitimate identification help to make the Halal product available globally. Consequently, this call for a Halal authority in Malaysia to clarify the message of what and where the Halal label actually conveys.

Consumers are encouraged to seek accurate and latest information on the Halal matter through a proper channel to understand it better in the context of food product. An open medium of communication such as social media provide an excellent opportunity for the consumer to share their views on the safety and quality of food products; at the same time learn about the Halal issue in a more interactive way. Special interest groups that focused on similar issue may serve as source of information too. However, despite the social media prevalent role in disseminating information, media social users should practice vigilance with information spread through the media. At times the information is questionable and potentially misleading. Consumer should cross checking the information about Halal with a legitimate source. Relevant authorities are obligated to ensure the dissemination of information about the halal issue are valid and authorised body. The information should be made clear and easily comprehensible to the Muslim and non-Muslim consumer.

The Islam religion allows the use of science and innovations as long as they are executed ethically and produce an appropriate outcome to benefit mankind. In regards to the GMO and Halal issue, the GMO food is permissible to be consumed by the Muslim consumer as long as it does not involve the transferring genes from Haram origins. Furthermore, there should be an authorised body responsible to monitor and regulate the correct production process of halal and GMO-related products are duly observe by the manufacturer to prevent misconduct and deception. The manufacturer that uses alternative or GMO substances in their production are

strongly recommended to provide a clear and standardise labelling on the Halal product to avoid confusion among the consumers.

Despite with the challenges and issues encountered by the consumer, Halal product is still considered as a better choice as it reflects the product quality and assurance. Given the cultural diversity, the Halal issues that perplex the consumer must be resolved cautiously as this can potentially trigger public sensitivity. A thorough studies need to be carried out prior to implementation of any decision related to the halal issue. This is vital in order to preserve the peacefulness and tolerance in the society. The Halal industry flourish in parallel to the growth of the Muslim population. In view of the Halal industry potential at the local and international economic landscape, vigorous and continuous efforts are needed to ensure the progression of the Halal industry.

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