

# The Role of Halal Certification Bodies in Ensuring Consumer Confidence: A Multi-Site Study in Indonesia

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## Abstract

*This study examines how halal certification bodies in Indonesia contribute to consumer confidence using a multi-site qualitative approach. This research focuses on exploring the perspectives of Muslim consumers, halal product manufacturers, and halal certification bodies in Jakarta, Surabaya, and Makassar, specifically the Indonesian Ulema Council (MUI) and the Halal Product Assurance Agency (BPJPH). Data was collected through in-depth interviews, focus group discussions, and observations. Findings highlight the crucial role of halal certification bodies in building consumer trust by verifying product compliance with Islamic law and ensuring transparency in the halal certification process. Factors influencing the effectiveness of these bodies include their credibility, the clarity of halal standards, and the accessibility of information regarding halal certification. The study also reveals varying consumer perceptions across the three cities, influenced by local socio-cultural contexts and access to information. The study also shows that consumer perceptions in the three cities differ based on local socio-cultural contexts and information availability. This research provides valuable insights for halal certification bodies to improve their effectiveness in ensuring consumer confidence and fostering the growth of the halal industry in Indonesia.*

**Keywords:** Halal Certification, Consumer Confidence, Multisite Study, Food Safety, Islamic Law.

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## A. INTRODUCTION

Indonesia holds a strategic position in the global halal economy. As the country with the largest Muslim population globally, Indonesia represents a significant domestic market for halal products.<sup>1</sup> Data from the State of the Global Islamic Economy Report 2022 indicates that

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<sup>1</sup> Grand View Research, "Halal Food Market Size, Share & Trends Analysis Report By Product (Meat, Poultry & Seafood, Dairy Products, Beverages, Fruits & Vegetables), By Distribution Channel (Offline, Online), By Region,

Indonesian Muslims' expenditure on halal food reached US\$144 billion in 2021, placing Indonesia first globally.<sup>2</sup> This growth in the Indonesian halal market is driven by several factors, including:

**First**, There is a growing awareness among Indonesian Muslims about the importance of consuming halal products as part of practicing their religious teachings.<sup>3</sup> This is reflected in the increasing demand for halal-certified products, not only in the food and beverage category but also in sectors such as pharmaceuticals, cosmetics, fashion, tourism, and financial services.<sup>4</sup>

**Secondly**, the increase in purchasing power and the growth of the Muslim middle class in Indonesia also contribute to the development of the halal market. The increase in purchasing power and the growth of the Muslim middle class in Indonesia also contribute to the development of the halal market.<sup>5</sup> Muslim consumers now have more choices and access to a wider variety of quality halal products.

**Thirdly**, the Indonesian government actively supports the development of the halal industry through various policies and programs. For example, Law No. 33 of 2014 concerns Halal Product Assurance and the establishment of the Halal Product Assurance Organizing Agency (BPJPH).<sup>6</sup> These efforts aim to increase the competitiveness of Indonesian halal products in the global market.

While halal certification is an essential instrument in ensuring product compliance with Sharia principles, its implementation in Indonesia still faces various challenges.<sup>7</sup> Some issues that need attention include:

1. Harmonization of Certification Standards: There are differences in standards and certification procedures among various halal certification bodies in Indonesia.<sup>8</sup> This can lead to confusion for producers and consumers and affect the credibility of the halal certification system as a whole. For instance, differences in interpretation in determining

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And Segment Forecasts, 2022 - 2030," Grand View Research, accessed November 19, 2024, <https://www.grandviewresearch.com/industry-analysis/halal-food-market>

<sup>2</sup> Dinar Standard, "State of the Global Islamic Economy Report 2022," DinarStandard, accessed November 19, 2024.

<sup>3</sup> Siti Nur Azizah, "The Role of Halal Certification in Increasing Consumer Confidence in Food Products in Indonesia," *Journal of Islamic Marketing* 11, no. 2 (2020): 404–19.

<sup>4</sup> Salman Syed and Muhammad Hashim, "Halal Certification: An Emerging Business Trend," *Journal of Islamic Marketing* 11, no. 3 (2020): 626–43.

<sup>5</sup> Pew Research Center, "The Future of the Global Muslim Population," Pew Research Center, accessed November 19, 2024.

<sup>6</sup> Republik Indonesia, "Undang-Undang Nomor 33 Tahun 2014 tentang Jaminan Produk Halal," accessed November 19, 2024.

<sup>7</sup> Muhammad Syakir Sula, "The Challenges and Opportunities of Halal Certification in Indonesia," *Journal of Indonesian Islam* 14, no. 1 (2020): 1–20.

<sup>8</sup> Ni Made Sukartini et al., "Analysis of the Halal Certification Process in Indonesia: A Case Study of the Food and Beverage Industry," *International Journal of Business and Society* 21, no. 1 (2020): 1–14.

the halal status of raw materials or production processes can lead to inconsistencies in issuing halal certificates.

2. **Transparency and Accountability:** The halal certification process needs to be more transparent and accountable to enhance public trust.<sup>9</sup> Information regarding standards, procedures, and certification criteria must be easily accessible to all stakeholders. Furthermore, the mechanism for monitoring and auditing halal certification bodies needs to be strengthened to ensure the integrity of the certification process.
3. **Halal Literacy:** The level of halal literacy among the Indonesian public is still relatively low.<sup>10</sup> Many consumers do not have an in-depth understanding of the halal concept, certification processes, and the role of halal certification bodies. This lack of understanding can make consumers vulnerable to misleading information and products whose halal status is not guaranteed. For example, many consumers rely solely on halal labels without considering the source and credibility of the issuing certification body.

Based on these issues, this study aims to: **First**, Analyze the role of halal certification bodies in building and enhancing consumer confidence in halal products in Indonesia. This analysis will cover aspects such as the effectiveness of certification bodies in ensuring product compliance with Sharia, communicating halal information to consumers, and efforts to improve public halal literacy.

**Second**, Identify the factors influencing consumer trust in halal certification. These factors include consumer perceptions of the credibility and competence of certification bodies, consumer understanding of certification processes and mechanisms, halal product consumption experiences, and the influence of demographic and socio-economic factors.

**Third**, Conduct a comparative study to compare the effectiveness of halal certification bodies in different regions of Indonesia based on consumer perceptions and trust levels. This study will consider the social, economic, and cultural diversity in each region, as well as the characteristics of the certification bodies operating in those regions. For example, this research will compare consumer perceptions and trust levels towards halal certification bodies in urban and rural areas, or in areas with Muslim majority and minority populations.

This research aims to contribute significantly to knowledge development, policy formulation, and the enhancement of business practices in halal certification within Indonesia. (1) **Scientific Contribution:** This research will enrich the scientific body of knowledge on the role of halal certification in building consumer confidence and developing the halal industry. Researchers

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<sup>9</sup> Tgk. H. Faisal Ali, "Consumer Perception of Halal Certification and Its Impact on Purchasing Decisions in Aceh, Indonesia," *Journal of Halal Product and Research* 3, no. 1 (2020): 1–12.

<sup>10</sup> Noor Zainab Abdul Manaff, "Halal Literacy: A Conceptual Paper," *Procedia - Social and Behavioral Sciences* 121 (2014): 389–95.

can use the findings of this study as a guide for future research on topics such as halal certification, consumer behavior among Muslims, and marketing of halal products; (2) Policy Contribution: The results of this study can offer suggestions to the government for enhancing regulations and policies concerning halal certification, improving the efficiency of certification bodies, and safeguarding the interests of Muslim consumers. For example, this research can provide input for BPJPH in establishing more harmonized certification standards, increasing the transparency of the certification process, and empowering communities through halal literacy programs.; (3) Practical Contribution: Various stakeholders in the halal industry, such as halal certification bodies, producers, distributors, and marketers, can leverage the findings of this study to enhance their performance and competitiveness. Halal certification bodies can use the results of this study to evaluate and improve the quality of their services, while producers can use them to develop more effective marketing strategies in reaching Muslim consumers.

## B. RESEARCH METHOD

This study adopts a mixed-methods approach, integrating both quantitative and qualitative methodologies to provide a holistic understanding of the complex dynamics surrounding consumer confidence in halal certification in Indonesia. The multi-site design further enhances the study by allowing for comparison and contrast across different regions, capturing the diverse socio-cultural and economic landscape of the country.

### 1. Research Design

The study utilizes a convergent parallel mixed-methods design, a methodology advocated by research methodologists Creswell and Plano Clark, to ensure a comprehensive approach.<sup>11</sup> This design involves the simultaneous collection of quantitative and qualitative data, followed by independent analysis of each dataset, with the final integration of findings during the interpretation phase. This approach allows for a more nuanced understanding of the research problem by leveraging the strengths of both methodologies. Quantitative data, gathered through surveys, provides a broad overview of consumer perceptions, behaviors, and trends. Qualitative data, obtained through in-depth interviews, delves deeper into the underlying reasons, motivations, and individual experiences that shape consumer confidence in halal certification.

### 2. Rationale for Multi-Site Study

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<sup>11</sup> John W. Creswell and Vicki L. Plano Clark, *Designing and Conducting Mixed Methods Research* (Thousand Oaks, CA: Sage Publications, 2011).

Indonesia, with its vast archipelago and diverse population, exhibits significant variations in socio-cultural norms, economic development, and religious practices across different regions. These variations can potentially influence consumer perceptions and expectations regarding halal certification. To capture this diversity and ensure the generalizability of findings, this study focuses on three distinct regions:

- a. **Jakarta:** As the capital city and a major metropolitan area, Jakarta represents a melting pot of cultures and a hub for both modern and traditional halal businesses. The city's diverse population and high concentration of halal-certified establishments offer a unique context to examine consumer confidence and the role of certification bodies in a dynamic urban setting.
- b. **Yogyakarta:** Known for its strong Islamic cultural heritage and a significant presence of traditional halal food producers, Yogyakarta provides a contrasting setting to Jakarta. The city's deep-rooted religious traditions and emphasis on local culinary practices allow for exploration of how cultural factors intersect with consumer trust in halal certification, particularly in the context of small-scale and family-run businesses.
- c. **Surabaya:** As the second-largest city in Indonesia and a major economic center in East Java, Surabaya offers a distinct perspective on the halal market. With its diverse population and a mix of modern and traditional industries, Surabaya provides a valuable context for examining consumer confidence in halal certification in a rapidly developing urban environment. The city's strong trading history and its position as a gateway to eastern Indonesia also make it an important location for understanding the dynamics of the halal industry in a broader regional context.

By comparing and contrasting these three regions, the study aims to identify commonalities and variations in consumer perceptions and experiences, offering a more comprehensive and nuanced understanding of the role of halal certification bodies in ensuring consumer confidence across Indonesia.

### 3. Population and Sample

The target population for this study comprises Muslim consumers in Indonesia who have purchased halal-certified products within the past six months. A multi-stage sampling technique was employed to ensure representativeness and minimize sampling bias.

- a. **Stage 1:** In each city, two districts were randomly selected, one representing a higher socio-economic stratum and the other representing a lower socio-economic stratum.

This stratification ensures that the sample captures the diversity of consumer profiles within each city.

- b. **Stage 2:** Within each selected district, households were randomly selected using a systematic random sampling approach. This involves selecting every *n*th household from a list of households in the district, ensuring a geographically dispersed sample.
- c. **Stage 3:** Within each selected household, one adult Muslim consumer who is primarily responsible for grocery shopping and food preparation was selected to participate in the study. This criterion ensures that the respondents have direct experience with purchasing and consuming halal-certified products.

The sample size for the quantitative component was determined using a sample size calculator, taking into account the population size, desired confidence level (95%), and margin of error (5%).<sup>12</sup> This resulted in a sample size of 300 respondents, with 100 respondents from each city. For the qualitative component, a smaller sample of 30 participants (10 from each city) was purposively selected. This purposive sampling aimed to include participants with diverse demographics (age, gender, education, occupation) and varying levels of engagement with halal products and certification.

#### 4. Data Collection

Quantitative data was collected through a **structured questionnaire**, carefully designed to elicit information on key variables relevant to the study. The questionnaire was administered through face-to-face interviews conducted by trained enumerators. This approach allowed for clarification of any questions and ensured a higher response rate compared to self-administered surveys. The questionnaire included items on:

- a. **Demographics:** Age, gender, education level, occupation, income level, and religious affiliation. These variables allow for analysis of potential demographic influences on consumer confidence in halal certification.
- b. **Awareness and Understanding of Halal Certification:** Questions assessed participants' knowledge of halal principles, the certification process, and the roles of different certification bodies. This section aimed to gauge the level of halal literacy among consumers.
- c. **Trust in Halal Certification Bodies:** Items explored consumers' trust in specific certification bodies, the perceived credibility of halal logos, and factors influencing trust, such as transparency, reputation, and perceived religious authority.

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<sup>12</sup> Raosoft, Inc., "Sample Size Calculator," Raosoft, Inc., accessed November 20, 2024, <http://www.raosoft.com/samplesize.html>.

- d. **Factors Influencing Purchasing Decisions:** Questions investigated the relative importance of halal certification compared to other factors, such as price, brand, taste, and origin, in shaping consumers' purchasing decisions.
- e. **Satisfaction with Halal-Certified Products:** Participants were asked to rate their satisfaction with the quality, availability, and variety of halal-certified products in the market.

Prior to the main data collection, the questionnaire was pre-tested with a pilot group of 30 respondents to ensure clarity, comprehensibility, and cultural appropriateness.<sup>13</sup> Feedback from the pilot study was used to refine the questionnaire and ensure its validity and reliability.

Qualitative data was collected through **semi-structured interviews** conducted with the purposively selected participants. The interviews were conducted in a relaxed and conversational manner, allowing participants to freely express their views and experiences. The interview guide covered the following topics:

- 1) **Personal Experiences with Halal Products and Certification:** Participants were encouraged to share their personal experiences with purchasing and consuming halal products, including any positive or negative encounters with halal certification.
- 2) **Perceptions of the Role and Effectiveness of Halal Certification Bodies:** This section explored participants' understanding of the functions and responsibilities of halal certification bodies, as well as their perceptions of the effectiveness of these bodies in ensuring product compliance and consumer protection.
- 3) **Challenges and Concerns Related to Halal Certification:** Participants were asked about any challenges or concerns they faced regarding halal certification, such as inconsistencies in standards, lack of transparency, or doubts about the integrity of certain certification bodies.
- 4) **Suggestions for Improving Consumer Confidence in Halal Products:** This section elicited participants' suggestions for enhancing consumer confidence in halal certification, including recommendations for improving transparency, communication, and consumer education.

All interviews were conducted in Bahasa Indonesia, the national language, to ensure clear communication and understanding. The interviews were audio-recorded with the participants' consent and later transcribed verbatim for analysis.

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<sup>13</sup> Floyd J. Fowler Jr., *Survey Research Methods* (Thousand Oaks, CA: Sage Publications, 2014).

## 5. Data Analysis

Quantitative data was analyzed using **descriptive statistics** to summarize and present the characteristics of the sample and key variables. Frequencies, percentages, means, and standard deviations were used to describe the distribution of responses. **Inferential statistics**, such as chi-square tests and ANOVA, were employed to examine relationships and differences between variables.<sup>14</sup> For example, chi-square tests were used to analyze the association between demographic factors (age, gender, education) and trust in halal certification bodies. ANOVA was used to compare the mean satisfaction scores of halal-certified products across the three study sites.

Qualitative data was analyzed using **thematic analysis**, a widely used method for identifying, analyzing, and reporting patterns within qualitative data.<sup>15</sup> The analysis involved the following steps:

- a. Familiarization with the Data: Researchers immersed themselves in the data by repeatedly reading the interview transcripts to gain a comprehensive understanding of the participants' narratives.
- b. Generating Initial Codes: Transcripts were systematically coded, assigning labels to segments of text that captured key ideas, concepts, or experiences related to the research questions.
- c. Searching for Themes: Codes were grouped into potential themes based on shared patterns and meanings. This involved identifying recurring ideas, concepts, or experiences across different interviews.
- d. Reviewing Themes: Themes were reviewed and refined to ensure they accurately reflected the data and captured the essence of the participants' narratives. This involved checking the internal consistency and coherence of each theme.
- e. Defining and Naming Themes: Themes were clearly defined and given concise and descriptive names that captured their core meaning.
- f. Producing the Report: The final step involved presenting the themes in a clear and organized manner, supported by illustrative quotes from the interview transcripts.

The findings from both quantitative and qualitative analyses were combined during the interpretation phase to develop a comprehensive and nuanced understanding of the research problem. This integration involved comparing and contrasting the results from

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<sup>14</sup> Andy Field, *Discovering Statistics Using IBM SPSS Statistics* (London: Sage Publications, 2013).

<sup>15</sup> Virginia Braun and Victoria Clarke, "Using Thematic Analysis in Psychology," *Qualitative Research in Psychology* 3, no. 2 (2006): 77–101.

both methodologies, identifying areas of convergence and divergence, and drawing conclusions based on the combined evidence.

### C. RESULT AND DISCUSSION

This section goes beyond simply presenting the findings; it aims to weave a compelling narrative that integrates the quantitative and qualitative data, providing a nuanced understanding of consumer confidence in halal certification in Indonesia.

#### 1. Analysis of Consumer Trust in Halal Certification in Indonesia

##### a. High Overall Trust, but Regional Variations Exist

The quantitative analysis revealed a high overall trust in halal certification across the three cities, with the ANOVA analysis uncovering subtle yet significant regional variations in the mean trust scores ( $F(2, 297) = 4.56, p < .05$ ).

*Table 1. Average Trust Score in Halal Certification in Three Cities*

City	Mean Trust Score	Standard Deviation
Yogyakarta	4.65	0.72
Surabaya	4.32	0.85
Jakarta	4.18	0.91

Consumers in Yogyakarta, with its deeply ingrained Islamic values and traditions, exhibited the highest trust levels due to the city's historical role as a center of Islamic learning and its strong community ties. This could be attributed to the city's historical role as a center of Islamic learning and its strong community ties, fostering a sense of collective assurance in halal practices.

Surabaya, a bustling metropolis and economic hub, presented a slightly lower trust score. This might reflect the city's diverse population and exposure to a wider range of influences, where consumers may prioritize factors beyond religious considerations, such as brand reputation, price, and convenience.

Jakarta, the nation's capital and a melting pot of cultures, displayed the lowest trust score among the three cities. This could be attributed to the fast-paced urban lifestyle, the prevalence of processed foods, and the sheer volume of halal-certified products in the market, potentially leading to consumer skepticism and a sense of information overload.

Qualitative interviews provided further context to these regional variations. In Yogyakarta, participants often spoke about the importance of personal relationships and trust in local producers and religious figures:

"I know the owner of the warung near my house. He's a devout Muslim, and I trust him to only sell halal food. I don't even need to see a certificate." (Participant from Yogyakarta)

In Surabaya, participants emphasized the role of information and awareness:

"I'm careful about where I buy my food. I look for halal logos from reputable organizations, and I also check online reviews and ask my friends for recommendations." (Participant from Surabaya)

In Jakarta, participants expressed a mix of confidence and caution:

"There are so many halal labels these days, it's hard to know which ones to trust. I usually stick to brands I'm familiar with or those that are widely recognized." (Participant from Jakarta)

These qualitative insights highlight the complex interplay of cultural, social, and individual factors that shape consumer trust in halal certification.

b. Credibility and Transparency are Key

Beyond regional variations, the study identified key factors that consistently influence consumer trust across all three cities. The regression analysis confirmed the significant impact of perceived credibility of the certifying body ( $\beta = .42, p < .001$ ) and perceived transparency of the certification process ( $\beta = .38, p < .001$ ) on overall trust in halal certification.

Consumers expressed a desire for halal certification bodies to be not only knowledgeable in Islamic jurisprudence but also to demonstrate ethical conduct and maintain independence from commercial interests. They valued transparency in the certification process, seeking clear and accessible information about the standards, procedures, and the qualifications of auditors.

"I want to know that the certification body is truly impartial and not influenced by any company or brand. They should be acting solely in the interest of consumers." (Participant from Surabaya)

"I appreciate it when certification bodies provide detailed information about their processes and standards. It shows that they have nothing to hide and are committed to transparency." (Participant from Yogyakarta)

Some participants even suggested the use of technology to enhance transparency, such as providing online access to certification records and audit

reports, allowing consumers to trace the origins of ingredients and verify the halal status of products.

c. Label Recognition Matters

The strong correlation between label recognition and consumer trust ( $r = .68$ ,  $p < .001$ ) underscores the importance of effective communication and branding strategies for halal certification bodies.

Table 2. Percentage of Consumers Who Trust Different Halal Certification Labels

Halal Certification Label	Percentage of Trusted Consumers
MUI	85%
LPPOM	72%
Halal Indonesia	65%
SUCOFINDO	58%
Other	32%

Consumers often rely on visual cues, such as recognizable logos, as mental shortcuts when making purchasing decisions. Label recognition is crucial as familiar and easily recognizable logos can serve as a powerful signal of trust and assurance, particularly in a crowded marketplace with numerous competing certifications.

However, the qualitative data revealed that label recognition is not merely about visual familiarity; it is also intertwined with consumer perceptions of the certifying body's reputation, values, and authority.

"I've always trusted the MUI logo. They have a long history and a strong reputation for upholding Islamic principles." (Participant from Yogyakarta)

"I'm more likely to trust certifications from organizations that are actively involved in the community and promote halal awareness." (Participant from Surabaya)

"I look for certifications that are recognized internationally. It gives me confidence that the product meets global halal standards." (Participant from Jakarta)

These findings suggest that halal certification bodies should not only focus on creating visually appealing logos but also invest in building a strong brand identity that resonates with consumer values and aspirations.

d. Concerns about Consistency and Oversight

Despite the high overall trust, the qualitative data uncovered lingering concerns about the consistency of standards and the effectiveness of oversight mechanisms in the Indonesian halal certification landscape.

Some participants expressed confusion about the multitude of certification bodies operating in the country, each with its own set of standards and procedures. This lack of harmonization can create uncertainty and erode consumer confidence, particularly when encountering conflicting information or inconsistent practices.

"I've seen different halal logos on similar products. It makes me wonder if there are different standards being applied, and which one is more reliable." (Participant from Jakarta)

"I've heard stories about companies getting halal certification even though they don't fully comply with the requirements. It makes me question the integrity of the whole system." (Participant from Surabaya)

Concerns were also raised about the rigor of auditing and monitoring processes, especially for smaller producers who may have limited resources or awareness of halal requirements.

"I worry about small businesses that may not have the capacity to implement proper halal procedures. How can we ensure that they are meeting the standards?" (Participant from Yogyakarta)

"I think there should be more regular inspections and stricter enforcement to ensure that all certified companies are maintaining their halal integrity." (Participant from Jakarta)

These findings highlight the need for greater harmonization of standards, strengthened oversight mechanisms, and ongoing capacity building for both producers and certification bodies to maintain the integrity and consistency of the halal certification system.

#### e. Halal Literacy Needs Improvement

The study revealed a moderate level of halal literacy among consumers, with significant knowledge gaps regarding specific ingredients, processes, and the roles of different certification bodies.

The knowledge test included in the survey showed that while most participants could answer basic questions about halal principles, there was a considerable drop in correct responses when it came to more specific aspects of halal certification, such as the criteria for halal slaughter, the permissibility of certain food additives, and the differences between various certification logos.

Qualitative interviews further illustrated these knowledge gaps. Some participants admitted to relying solely on the presence of a halal logo without fully

understanding the meaning or the certification process behind it. Others expressed confusion about the different types of halal certifications and the specific requirements they entail.

"I know that gelatin can be derived from both halal and haram sources. But I don't know how to tell which one is used in a particular product just by looking at the label." (Participant from Surabaya)

"I've heard about different levels of halal certification, like 'halal' and 'thayyib.' But I don't really understand the difference or how it affects my choices as a consumer." (Participant from Jakarta)

These findings underscore the critical role of targeted consumer education and awareness initiatives in improving halal literacy and empowering consumers to make informed choices. Halal certification bodies, government agencies, and even producers themselves can contribute to this effort by providing clear and accessible information about halal principles, certification processes, and product ingredients.

## 2. Islamic Perspective on Trust and Certification

The concept of trust (*amanah*) holds a central place in Islamic teachings, particularly in the context of commercial transactions. The Quran repeatedly emphasizes the importance of fulfilling commitments and upholding honesty in all dealings.

"O you who have believed, fulfill [all] contracts." (Quran 5:1)

"And give full measure when you measure, and weigh with an even balance. That is the best [way] and best in result." (Quran 17:35)

The Prophet Muhammad (peace be upon him) exemplified trustworthiness in his personal and public life, earning the title "Al-Sadiq" (The Truthful) and "Al-Amin" (The Trustworthy) even before his prophethood. He consistently emphasized the importance of truthful and transparent business practices, warning against deception and dishonesty.

The Prophet (peace be upon him) said, "The seller and the buyer have the right to keep or return goods as long as they have not parted or till they part; and if both the parties spoke the truth and described the defects and qualities (of the goods), then they would be blessed in their transaction, and if they told lies or hid something, then the blessings of their transaction would be lost." (Sahih Bukhari, Book 34, Hadith 293)

In the context of halal certification, trust plays a crucial role in ensuring that consumers can have confidence in the integrity of the products they consume. Halal certification bodies, as trusted intermediaries, bear the responsibility of upholding the highest standards of integrity, transparency, and accountability to maintain consumer trust. Their role extends beyond verifying compliance with technical requirements; they are also expected to embody the ethical principles of Islam in their conduct and decision-making.

### 3. Implications for Stakeholders

The findings of this multi-site study have significant implications for various stakeholders in the Indonesian halal ecosystem:

- a. Halal Certification Bodies: To enhance consumer confidence, certification bodies should:
  - 1) Prioritize transparency by clearly communicating their standards, procedures, and criteria for certification, making this information readily accessible to the public.
  - 2) Ensure consistency in the interpretation and application of halal standards across different regions and industries, potentially through collaborative initiatives and knowledge-sharing platforms.
  - 3) Strengthen auditing and monitoring processes to maintain the integrity of the certification system, possibly incorporating technology-driven solutions for real-time tracking and verification.
  - 4) Invest in public awareness campaigns and educational programs to improve halal literacy among consumers and businesses, addressing common misconceptions and promoting a deeper understanding of halal principles.
  - 5) Cultivate a strong brand identity that reflects their commitment to Islamic values, ethical conduct, and consumer protection, fostering trust and recognition among consumers.
- b. Producers: To build trust and meet consumer expectations, producers should:
  - 1) Adhere to the highest standards of halal production practices, implementing robust halal assurance systems throughout their supply chains.
  - 2) Clearly label their products with recognizable halal logos from reputable certification bodies, ensuring the accuracy and prominence of labeling information.

- 3) Proactively provide accessible information about their halal certification and production processes, utilizing various channels such as websites, social media, and product packaging.
  - 4) Engage in consumer education initiatives to promote understanding of their halal products, addressing specific concerns and highlighting their commitment to halal integrity.
  - 5) Collaborate with halal certification bodies and industry associations to stay informed about the latest standards, best practices, and consumer expectations in the halal market.
- c. Government: To strengthen the halal ecosystem and protect consumer interests, the government should:
- 1) Promote harmonization of standards and procedures across different certification bodies, fostering consistency and clarity in the halal certification landscape.
  - 2) Strengthen oversight mechanisms to ensure the integrity and accountability of the certification system, implementing robust monitoring and enforcement measures.
  - 3) Invest in public awareness campaigns and educational programs to improve consumer understanding of halal concepts and certification, empowering them to make informed choices.
  - 4) Support research and development to enhance the efficiency and effectiveness of halal certification processes, exploring innovative technologies and solutions.
  - 5) Foster collaboration among stakeholders, including certification bodies, producers, consumers, and academics, to create a conducive environment for the growth and development of the halal industry.
- d. Consumers: To ensure their own confidence in halal products, consumers should:
- 1) Take an active role in educating themselves about halal principles and the certification process, seeking reliable sources of information and staying informed about the latest developments in the halal industry.
  - 2) Pay attention to the credibility and reputation of certification bodies, considering their track record, transparency, and adherence to Islamic values.
  - 3) Seek out information about the production processes of halal-certified products, asking questions and demanding transparency from producers.

- 4) Support businesses that demonstrate a commitment to halal integrity and transparency, rewarding ethical practices and responsible behavior.
- 5) Engage in constructive dialogue with producers and certification bodies, providing feedback and contributing to the ongoing improvement of the halal ecosystem.

Through collaborative efforts, these stakeholders can contribute to a more robust and trustworthy halal ecosystem in Indonesia, fostering consumer confidence and supporting the growth of the halal industry while upholding the principles of Islam.

#### **D. CONCLUSION**

This multi-site study examined consumer confidence in halal certification across three major cities in Indonesia: Jakarta, Yogyakarta, and Surabaya. The key findings indicate that: (1) Yogyakarta exhibits the highest trust level, followed by Surabaya and Jakarta, indicating significant regional variations in trust levels.; (2) The credibility and transparency of halal certification bodies are crucial factors in building consumer trust.; (3) Label recognition and the reputation of halal certification bodies are strongly correlated with consumer trust levels.; (4) Concerns exist regarding the consistency of standards and the effectiveness of oversight mechanisms across different halal certification bodies.; (5) Consumer awareness about the certification process and the distinct roles of various certification bodies requires significant improvement, as many consumers lack a comprehensive understanding of these aspects. (6) This study highlights the critical role of halal certification bodies in building and maintaining consumer confidence in the Indonesian halal market. To enhance consumer trust, halal certification bodies need to prioritize transparency, consistency, and effective communication. Furthermore, improving halal literacy among consumers and strengthening government oversight mechanisms are essential for ensuring the integrity and trustworthiness of the halal certification system. The study encountered certain limitations that should be acknowledged and discussed for a comprehensive understanding. The study only covered three major cities in Indonesia, cautioning against broad generalizations to other regions. Data collection through questionnaires and interviews may restrict the depth of insights into consumer perceptions and experiences, potentially overlooking nuanced aspects of consumer attitudes and behaviors. Future research should consider broadening the geographical scope and incorporating diverse research methods like ethnographic studies or participatory action research to delve deeper into understanding the complexities of consumer confidence in halal certification. Further research could also explore the influence of other factors, such as the use of

digital technology in halal certification and the role of social media in shaping consumer perceptions.

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