

HALAL CERTIFICATION IMPLEMENTATION TO INCREASE SALES IN CULINARY MSMEs IN UNGARAN BARAT DISTRICT, SEMARANG REGENCY

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Abstract. Halal certification is a certificate issued by LPPOM-MUI (Institute for the Assessment of Food, Drugs and Cosmetics) which ensures that a product complies with Islamic law. The focus of this research is on the study of how an MSME can increase sales figures through halal certification. The author chose a qualitative descriptive research method. The data sources used are secondary and primary data sources. Data validation was carried out by using triangulation. Based on the results of research on the condition of MSMEs and the current increase in sales, many MSME business actors do not yet know the benefits of halal certification for their products, especially to increase sales because there are still those who think they do not need to carry out halal certification. Understanding of business actors about halal certification is still lacking due to the lack of information and knowledge about halal certification. There may be a need for further counseling. The implementation of halal certification provides good benefits for business actors and buyers and business actors who carry out halal certification, many benefits are obtained, such as increased sales, increased income, gaining buyer's trust in purchasing decisions for MSME products.

Keywords: Implementation of halal certification; Increased Sales; MSMEs

INTRODUCTION

In 2022, the G20 presidency will carry the theme "Recover Together, Recover Stronger". Indonesia emphasizes the participation of all countries so that jointly achieving a strong and lasting recovery for the delegation on the mission to suppress the Covid-19 pandemic and improve the national economy globally. There are several advantages of the G20 presidency, namely in the economic, social development, and political fields. Here specifically will discuss the direct benefits in the economic sector in the form of increased domestic consumption up to IDR 1.7 trillion. Increasing national GDP to IDR 7.4 trillion, as well as involving MSMEs (Micro, Small and Medium Enterprises). And absorption of almost 33 thousand workers in various sectors. The existence of MSMEs is a valuable pillar for the national economy. This is because the number of MSMEs in this era is up to 64.2 million with a participation in GDP of 61.07% or IDR 8,573.89 trillion. (Muna et al., 2022).

MSMEs are one of the largest categories of economic actors in the Indonesian economy. Aside from being a business sector that contributes the most to national economic development, as well as a forum for generating relatively large employment opportunities for the domestic workforce, as a result the reduction of unemployment is assisted. PP No 7 of 2021 MSMEs can be categorized according to business capital criteria and annual sales results. Business capital funds are own funds as well as loan funds for running business activities. (Salam & Makhtum, 2022).

Because Indonesia is a country with an Islamic basis, with a majority Muslim community, there are values that must be included in the management of MSMEs, one of which is halal certification. According to Article 3 of Law Number 33 2014 concerning (JPH) Halal

Product Guarantee, Halal product Guarantee Operators convey the ease, calm, security, safety and certainty of the availability of halal products for the general public who consume and use these products, as well as the benefits that business actors get when producing them. and selling halal products. Therefore, a halal certificate in the form of a halal guarantee for a product is the obligation of business entities including MSMEs and business development as a competitive advantage when selling halal products. (Afifi, 2014; Syafrida, 2016; Hidayat and Siradj, 2015: 206). (Fuadi et al., 2022).

In West Ungaran District, MSME players, especially in Lerep Village, find it difficult to develop marketing because they are hampered by halal certificates for culinary products. MSME players also need support from all parties so that everyone can feel the benefits. Deputy Regent appealed to business actors to cooperate to increase sales revenue. An application for the publication of a halal certificate has been submitted for 50 MSME business actors. (Junaedi. (2022, November 21)).

Therefore this research focuses on studying how an MSME can increase sales through halal certification. The existence of halal certification can affect sales factors and public trust in the terms of purchasing MSME products. This phenomenon is very well received by MSMEs because it can provide effectiveness in every sale and product quality. (Shofiyah & Qadariyah, 2022).

METHOD

In this study using a qualitative descriptive research method, which is an effective method for describing existing facts/phenomena. The research was conducted to explain existing research without providing data manipulation of the variables studied by conducting direct interviews. The location chosen by the researcher is in West Ungaran District. Researchers use primary and secondary data sources. Primary data sources are data obtained directly, researchers obtain data or information directly using predetermined instruments. In this research data, primary data sources were obtained by direct interviews with MSME business actors. Secondary data sources are data obtained indirectly. In this study, the secondary data obtained came from journals, websites, articles, documentation and other literature. For data collection techniques in this study using the method of direct interviews with business actors, buyers and those who issue halal certification (halal certification assistants), field observations and documentation, namely by searching for things or data variables in the form of notes, journals and so on. Data validation was carried out by means of triangulation.

Data analysis technique

1. Data reduction.

The amount of data/information obtained in the field is generally large, so it must be written down in detail and carefully. The longer the researcher is in the field, the more information is obtained, the more difficult and complicated it becomes. So data analysis must be done through data reduction. Doing data reduction means determining, summarizing some of the most important things, looking for themes and patterns so that the arrangement becomes systematic. The data reduction carried out by the author in the field is to analyze the practice experienced and summarize every response put forward by a number of sources, then arrange it in detail so that it is not convoluted when written down in the discussion. Data

reduction makes it possible to make conclusions and collect data. The reporting that the researcher describes is in written form so that it is easier to understand and draw conclusions.

The data/information presented is a description or display which is classified as a result in the form of notes obtained from data reduction with the possibility of drawing conclusions and data collection. The reporting that the researcher describes is in written form to facilitate understanding and drawing conclusions.

2. Verification In qualitative research

The conclusions drawn have been made since the research began, where the writer decides on the meaning and data collected and makes these conclusions, which are initially tentative or vague and doubtful, but the data that is added forms the basis for the conclusion.

In previous research on halal certification, the authors obtained the following hypothesis:

H1: The government is converting MSMEs and incorporating the value of halal products so that they are globally competitive, so that in the end they are able to spur business growth and increase the economic resilience of the people in the country (Mulyaningsih et al., 2021)

H2: The current condition and sales level of MSMEs are better or there has been an increase from before (Mulyaningsih et al., 2021)

H1: Halal certification can increase business profits (Kristiana et al., 2020).

H2: The implementation of halal certification in increasing sales has many benefits for both parties, especially business actors (Kristiana et al., 2020).

RESULTS AND DISCUSSION

Current Conditions and Sales Levels of MSMEs

Based on the results of an interview with the father (Agus, 2023), as a business actor said that: "The current increase in sales is many times that of before". And based on the results of an interview with Mr (Mahfud, 2023), as a companion for halal certification, said that: "Sales will increase from before if business actors can maximize the use of digitalization." This is in line with the statement conveyed by (ZULI, 2023) "many MSMEs have been able to increase business innovation, one of which is with halal certification so that there is an increase from before".

From the following statement, it can be seen that the current condition and sales level of MSMEs are better or there has been an increase from before. This is also in line with Aditi (2017) which states that halal certification has a positive and significant impact on the intention to buy and repurchase a product. The halal certification label is a very meaningful instrument because it gives confidence to consumers for decision making (Syahputra & Hamoraon, 2013). According to Desmayonda & Trenggana (2019), the halal certification label is a form of promotion to attract Muslim or non-Muslim buyers. In the context of MSMEs, Khairunnisa, Lubis and Hasanah (2020) are of the opinion that MSME income has increased after carrying out halal certification compared to before. (Rido & Sukmana, 2021).

Understanding of MSME Actors Against Halal Certification

Debbi's research, (2018) "Implementation of Halal Certification of Bengkulu City Food Products" proves that halal certification of culinary products in Bengkulu City is still carried out by a small number of SMEs (Small and Medium Enterprises). This arises due to a lack of information and knowledge regarding halal certification. In research (Maryati et al., 2016)

"Analysis of Barriers to Halal Certificate Submission (Case Study: Frozen Food Micro, Small and Medium Enterprises in Jabodetabek)" also proves that 60% of frozen culinary SMEs in Jabodetabek do not have halal certificates. (Fuadi et al., 2022).

Based on the results of an interview with the father (Agus, 2023), as a business actor said that: "Before I didn't understand about halal certification, then after being offered a friend and registering I understood and knew what benefits I would get." And based on the results of an interview with the father (Mahfud, 2023), as a companion for halal certification said that: "For ages 45 and over they do not understand halal certification and its benefits so they feel it is not necessary, while those aged 45 and under they already understand".

From the following statement, it can be seen that MSME actors' understanding of halal certification is still low if no one provides socialization. This is also in line with research (Ta & Sari, 2020) regarding the understanding of MSME actors regarding halal certification is still relatively low. Because MSME business actors only know about halal certification. However, the meaning of halal in food products is still very low. Regarding the procedures for registration and fees for obtaining halal certification, MSME actors do not understand this.

Implementation of Halal Certification in Increasing Sales

According to prime et al. (2018), Halal certification labels have a positive impact on a company because the level of consumer confidence is higher after the inclusion of a halal label on a product resulting in increased profits. Most MSME business actors currently do not know the benefits of implementing the halal certificate itself. All culinary and beverage MSMEs are required to have halal certificates in order to be able to sell their products throughout Indonesia. If you do not have a halal certificate, culinary products and processed drinks cannot be distributed by the government (Abiyyu, 2019). Halal certificates and labels are considered only to fulfill obligations in the Islamic religion, business actors have not seen opportunities to increase business income. (Syaifudin & Fahma, 2022).

Based on the results of an interview with the father (Agus, 2023), as a business actor said that: "I have had a halal certificate since 5 months ago, since then I have experienced a multifold increase in sales, so I was able to add as many as 8 employees." And based on the results of an interview with Mr. (Mahfud, 2023), as a companion for halal certification, he said that: "By carrying out halal certification, at least business actors have legality, and from halal certification many benefits can be obtained, for example increasing sales, exports and quality. "This is in line with the statement conveyed by (ZULI, 2023), "By carrying out halal certification, many benefits are obtained, such as increasing sales, gaining trust, giving peace to buyers, so both of them feel benefited".

From the following statement, it can be seen that the implementation of halal certification in increasing sales has many benefits for both parties, especially business actors. This is also in line with (Yunos et al., 2014). Halal certificates play a role in gaining consumer trust, expanding marketing and increasing sales of a company (Yunos et al., 2014). Not only that, halal certification is a strategic way for companies to differentiate from competitors, retain consumers, and provide added value to a product (Salindal et al., 2018). Prime et al. (2018), the halal label has a positive impact on increasing the profits earned by the company because the level of consumer confidence is higher by the inclusion of a halal certification label on the product. Therefore, it can be said that the role of halal certification is very important for companies. In addition to gaining consumer trust, halal certificates also affect a company's income. (Khairunnisa et al., 2020).

CONCLUSION

Halal certification is a halal certificate issued by LPPOM-MUI (Institute for the Assessment of Food, Drugs and Cosmetics) which ensures that a product complies with Islamic law. The condition of MSMEs and the current increase in sales is that there are still many MSME actors who do not understand the benefits of halal certification for their products, especially to increase sales because there are still those who think there is no need to carry out halal certification. Understanding of business actors about halal certification is still lacking due to the lack of information and knowledge about halal certification. The implementation of halal certification provides good benefits for business actors and buyers and business actors who carry out halal certification, many benefits are obtained, such as increased sales, increased income, gaining buyer's trust in purchasing decisions for MSME products.

Halal certification has a good impact on business actors and buyers, but there is still a need for further counseling on halal certification and maybe it can maximize the role of intermediaries so that business actors and buyers can know and feel the benefits obtained.

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