# [MAN 20] A STUDY ON MALAYSIAN CONSUMER AWARENESS TOWARD THE USE OF JAKIM HALAL LOGO

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# ABSTRACT

The demand for products and services based on the Halal concept increasingly widespread over the world especially in Malaysia, which is known as one of the world Halal hub. The consumer's need toward the Halal products increasingly high. However, Malaysian consumers are generally still lack an understanding of the concept of Halal. Consumers in Malaysia is also a lack of awareness of the concept of Halal products, JAKIM halal logo and all aspects related to Halal. Irresponsibility of a few manufacturers who wore fake Halal logo on their products to add more confusion to the Malaysian consumer. Therefore, this study was conducted to investigate the Malaysian consumer's awareness toward the use of JAKIM Halal logo. This study was also conducted to identify consumer's understanding about the concept of Halal products in Malaysia. For this purpose, a form of quantitative research has been formed and conducted on 100 respondents surveyed nationwide using convenience sampling. From this study, it is expected that there is a positive result on the Malaysia consumer's awareness toward the use of JAKIM Halal logo and the consumer's understanding to the Halal's product status in Malaysia.

Keywords: Halal, JAKIM Halal logo, Malaysian consumer

#### INTRODUCTION

The Halal industry in the world market widely expand. The growing demand for Halal products led to several foreign countries emphasizing Halal characteristics of their products. This allows countries to participate in marketing their Halal products in the world market. Based on Global Islamic Economy 2014-2015 report, Halal industry now spans across food market, cloths and fashion market, travel market, media and recreation market expanding including pharmaceuticals and cosmetic market. Malaysia is also known as one of the contributors to the production of Halal products in the world. Malaysia's Department of Islamic Development (JAKIM) is a competent authority stipulated by law for Halal certification in Malaysia. JAKIM is currently the sole Halal certification body in Malaysia that certify local and exports product. Based on the amendment of the Trade Description Act in 2011, JAKIM is also the governing body that monitors and enforces Halal regulation in Malaysia.

As stated in the Malaysian Trade Description Act (2011), JAKIM and the Islamic Religious Council (MAIN) in the states respectively appointed as the competent authorities to verify that any product or service is Halal. All food, goods or service shall not be described as Halal unless it is certified as Halal by the JAKIM or MAIN.

Beginning January 2012, only one Halal logo was certified and allowed in Malaysia. A party that is responsible for issuing the Halal logo is JAKIM. But for the same time, MAIN may also issue Halal certificate. Regarding to this statement, product Halal on Malaysia should be labelled with JAKIM's halal logo.

# STATEMENT OF THE PROBLEM

In Malaysia, manufacturers or traders began to apply the concept of Halal production to marketing their product. For certifying Halal products, JAKIM is the government body responsible for issuing halal logo to verify the Halal product manufacturers in Malaysia. JAKIM responsible for product inspection, observe the production process, and make decisions regarding the company's compliance with Islamic Sharia law. It is not an easy process to get a Halal certificate because it involves a number of processes to ensure that a product meets the criteria set out by the sharia laws but it is compulsory process to meet the legal requirement that is enshrined in the laws of sharia before giving Halal certification to the producer. However, according to Shafiq, Haque and Omar (2015), there are also some of irresponsible companies are taking easy way by use fake/artificial Halal logo on their products to market their products. Other than that, they also dare to mislead the consumer by issuing a statement saying their products are Halal despite not having JAKIM Halal logo. Regarding to this issue, consumers will experience confusion about the status of Halal products in the market. There now has a situation when Malaysian consumers not really understand what is lawful actual. This is happened because of the low level of consumer awareness regarding the Halal food, halal logo and everything related to Halal. The main problems will occur when consumer mistakenly consume the not actual Halal product. The purpose of this study is to find out the Malaysian consumer awareness level on Halal product's status. This study also conducted to identify the Malaysian citizen awareness toward the use of JAKIM halal logo.

#### LITERATURE REVIEW

#### Halal industry in Malaysia

Malaysia is the one of global Halal product producer. Manaf Bohari, Wei Hin and Fuad (2013) described Malaysia as a leading player of food industry in the Halal's global. Nowadays, many businesses in Malaysia are derived from the Halal industry. The development of this industry caused by the growing of Halal product demand. Noordin et al. (2009) that quoted in Nor Ain Musa (2015) said demand for Halal products and services in the global market have a significant impact on the growth of the local market halal industry. A high demand of Halal product led to the production of Halal products is increasing. Directly the number of companies producing Halal products in Malaysia will increase.

#### **Concept of Halal**

According to the Malaysia's Department of Islamic Development (2016) and Halal Industry Development Corporation (2016), the word "Halal" is derived from the Arabic word meaning "lawful". It described to the thing or action is justified and constituted under the laws of sharia. According to the definition of Halal by Trade Descriptions 1975, Halal mean something that does not consist of or contain any parts or products from animals that Muslims are forbidden and does not contain from animals not slaughtered according to Islamic Law. Second, it does not contain any material which is enshrined as filth according to Islamic Law. Third, it not be prepared, be processed or be manufactured using any tool not free of excrement in accordance with Islamic law. Lastly, during preparation, processing or storage, it should not come into contact or be in close proximity with any food which do not consist any substance declared as being filth according to Islamic Law. In the context of product, Halal refers to product that is permissible according to Islamic law for the Muslim consumer. Hanzaee and Ramezani (2011), Halal products are products that meet Sharia law, which does not involve the use of substances that are prohibited (Haram), does not exploit labor and the environment. This product is not dangerous and not dangerous to others. In fact, Halal product should not contain any Haram ingredients that can be dangerous.

## Halal certification and Halal logo

In Malaysia, Halal concept of a business used by the Halal certification. Halal certification is a document issued by JAKIM and the Islamic Religious Council (MAIN). According to Mian (2010), Halal certificate is a document that confirms a product that meets the Islam dietary guidelines. This product has been subject to Halal certification system that has been approved. Halal certification to assure consumers that there are no Haram's ingredient contained in Halal products. Based on Baizuri Badruldin et al. (2013), Halal certification also refers to the examination of the process of food preparation. This certification examination as known as guaranteeing process to approved document to the customer about the Halal status on product. The role of Halal certification basically to ensure status Halal of product that being guarantee by JAKIM.

## **JAKIM Halal logo**

JAKIM's Halal logo assist Muslims in choosing halal products as written in Islam. According to Mahmood (2011) that quoted in Shafiq, Haque, and Omar (2015), Halal certification is an official document which allows a manufacturer or seller of goods or merchandise for displaying Halal logo on the product and at the point of sale / operations. According to the Halal Industry Development Corporation (2016), referring to the Halal logo issued by Jakim logo / JAIN / MAIN and contains eight-pointed star is placed in the middle of the circle. In addition, the Arabic word "حال" placed in the middle of the star while the word "halal" in Roman letters underneath. The word "Malaysia" written in Roman and "ملا يزيد "in Arabic in a circle logo and two small five-pointed star is placed to separate the Roman alphabet from the Arabic word mentioned. Figure 1 show the image of JAKIM's and fake/artificial halal logo.



**Figure 1** JAKIM Halal logo (left), artificial Halal logo (right)

## The need of JAKIM Halal logo to non-muslim consumers

According to Rezai, Mohamed and Shamsudin (2012), Halal requirements meet many of the conventional quality standards, such as ISO, Codex Alimentarius, Hazard Analysis and Critical Control Point and Good Hygienic Practice. Therefore, Halal values can be popularized among non-Muslim consumers if the society at large is made to be more aware of issues concerning health, hygiene, safety, the environment, social justice and animal welfare that comes along with the Halal ways of doing things. The authors also mention, non-Muslims is also important to understand the cultural and religious taboos of their friends who are Muslim because they live in a society that is multi-ethnic and multicultural in Malaysia. Thus, this paper assesses how well do non-Muslims living in an Islamic country really understand the Halal concept and JAKIM's Halal logo.

## Malaysian consumer awareness toward the use of JAKIM Halal logo

According to Ambali and Bakar (2014) the introduction of Halal logo and certification by JAKIM has increased awareness among Muslims on the importance of using the products and services that comply with the guidelines and principles of Islam. The author also described, consumers will get better information about the Halal food or product if the product they want to buy it comes with the Halal logo. Consumer be able to look at Halal logo that authorized by the government agency before consuming foods, drinks and manufactured products in Malaysia. The JAKIM Halal logo itself is considered an important source or factor because the foods or drinks can be trusted in terms of Halal, safety and hygiene.

# METHODOLOGY

This research is conducted by using questionnaire survey and this questionnaire were distributed to all Malaysian consumers. The population of this research is Malaysian consumers. In this study, researcher get around 100 of samples data in order to get the accurate data to be use in this study. Respondent will be asked a few questions that includes in 4 sections. The first part is the related to the respondent background. The second question is related to respondent awareness toward the use of artificial Halal logo and JAKIM Halal logo in Malaysia. The third part related to respondent's views about JAKIM Halal logo and the last part was related to consumer's awareness toward Halal product's status.

#### RESULTS

Table 1 show the demographic background of the samples. Out of the 100 questionnaires, 37.0% were male (n=37) and 63.0% were female (n=63). For the age category, 72% of the respondents fall within the age of 21-30, (n=72), followed by 14.0% respondents less or equal to 20 years old (n=14), 10% and 4.0% respondents were recorded at the age of 30-41 and 41-50. Furthermore, 78.0% of the respondents (n=78) were Malay, 4.0% of the respondents (n=4) were Chinese, 1% respondents (n=1) were Indian and 17.0% respondents (n=17) were Bumiputra of Sabah and Sarawak. In a religious aspect, 90.0% of the respondents (n=5) were Kristian and the rest 1.0% respondent (n=1) were Hindu. At the education level category, 11.0% were at

Secondary school level, 3.0% were at college level, 15.0% were at diploma level, 69.0% at degree level, 2.0 % were at master level and 0% respondent from PhD level.

Element		Frequency	Percentage (%)
Gender:	Male	37	37.0
	Female	63	63.0
Religous:	Islam	90	90.0
	Buddha	4	4.0
	Kristian	90 4 5 1	5.0
	Hindu	1	1.0
Etnic:	Melayu	78	78.0
	Cina	4	4.0
	India	4 1	1.0
	Bumiputra sabah sarawak	17	17.0
Education:	Secondary school	11	11.0
	College	11 3	3.0
	Diploma	15	15.0
	Degree	69	69.0
	Master	2	2.0

Table 1							
Respondent background							

Table 2 show the Malaysian consumers awareness toward the Halal logo in Malaysia. There are two type of logo that have been use in this study which is artificial Halal logo and JAKIM Halal logo. In Table 2, respondent asked by two question. The first question "Halal meals provided by restaurants featuring Halal logo" is related to the approval of respondents to the artificial Halal logo. The second question is "Halal meals provided by restaurants featuring JAKIM Halal logo" is related to the approval of respondents to the JAKIM Halal logo. Result are shown by ethnic, religion and education. In statement 1 "Halal meals provided by restaurants featuring Halal logo", Malays ethnic had the highest response. Out of 78 Malay respondents, 32 respondent Malay states strongly agreed, 17 respondents agreed, 12 respondents expressed little agree, 5 respondents said not sure, 5 respondents also expressed some disagree, 3 respondents disagreed and 4 respondents strongly disagreed that Halal foods provided by businesses that display the Halal logo.

Out of 4 respondents from China, 3 people express consent while one respondent stated strongly disagree statement 1. An Indian respondent also disagreed to the statement 1. Out of 17 respondents came from Bumiputra Sabah and Sarawak, of which 13 respondents stated strongly agree, one of the respondents agreed, two respondents agree and a little unsure of respondents according to statement 1. In education aspect, Degree is the higher respondent education. Out of 69 degree respondents, 29 respondent Malay states strongly agreed, 16 respondents agreed, 11 respondents expressed little agree, 3 respondents said not sure, 4 respondents also expressed some disagree, 2 respondents disagreed and 4 respondents strongly disagreed.

NO	Statement	10.100 - 100	Category	SD	D	LD	NS	LA	Α	SA	Tota1
1	Halal food	Ethnic	Malay	4	3	5	5	12	17	32	78
	provided by		Chinese	1	0	0	0	1	1	1	4
	the restaurant		India	0	0	1	0	0	0	0	1
	featuring Halal logo		Bumiputra Sabah & Sarawak	0	0	0	1	2	1	13	17
		Religion	Islam	-4	3	5	6	13	18	41	90
	(1)		Buddha	1	0	0	0	1	1	1	4
	$(   \mathbf{n}   \mathbf{n} )$		Kristian	0	0	0	0	1	0	4	5
			Hindu	0	0	1	0	0	0	0	1
	HALAL	Education	Secondary school	0	0	0	1	0	1	9	11
	100000		College	0	1	0	0	0	0	2	3
			Diploma	1	0	1	2	3	2	6	15
			Degree	4	2 0	4	3	11	16	29	69
			Master	0		1	0	1	0	0	2
2	Halal food	Ethnic	Malay	9	1	0	2	5	8	53	78
	provided by		Chinese	0	0	1	1	0	0	2	4
	the restaurant		India	0	0	0	0	0	1	0	1
	featuring JAKIM Halal		Bumiputra Sabah & Sarawak	0	0	0	1	2	1	13	17
	1ogo	Religion	Islam	9	1	0	3	5	9	63	90
	(IT)		Buddha	0	0	1	1	0	0	2	4
			Kristian	0	0	0	0	2	0	3	5
	( Mai		Hindu	0	0	0	0	0	1	0	1
	848.41	Education	Secondary school	0	0	0	0	0	0	11	11
			College	0	0	0	0	0	0	3	3
			Diploma	1	0	0	1	1	2	10	15
			Degree	8	1	1	3	6	7	43	69
			Master	0	0	0	0	0	1	1	2

 Table 2

 Frequency distribution by ethnicity, religion and education related to the awareness toward the use of artificial Halal logo and JAKIM Halal logo in Malaysia

In statement 2 "Halal meals provided by restaurants featuring JAKIM Halal logo", Malays also had the highest response. Out of 78 Malay respondents, 58 respondent Malay states strongly agreed, 8 respondents agreed, 5 respondents expressed little agree, 2 respondents said not sure, 1 respondents disagreed and 9 respondents strongly disagreed toward the statement 2. Out of 4 Chinese respondents, 2 respondent stated strongly agreed, 1 respondent unsure and 1 respondent expressed little disagree to the statement 2. 1 of India respondent stated agreed to the statement 2.

Out of 17 respondents came from Bumiputra Sabah and Sarawak, 13 respondents stated strongly agree, one of the respondents agreed, two respondents agree and a little unsure of respondents according to statement 2. In education aspect in statement 2, Out of 69 degree respondents, 43 respondent Malay states strongly agreed, 7 respondents agreed, 6 respondents expressed little agree, 3 respondents said not sure, 1 respondents also expressed some disagree, 1 respondents disagreed and 8 respondents strongly disagreed. 11 respondents from secondary school strongly agreed to the statement 2. Out of 15 diploma students, 10 stated strongly agreed, 2 students agreed, 1 student expressed little agreed, 1 student said not sure and 1 student totally disagreed to the statement 2. From the statement 1 and 2, out of 100 respondents, 85 agreed that Halal meals provided by restaurants featuring JAKIM Halal logo. Out of these respondents also, 80 respondents said Halal meals provided by restaurants featuring Halal logo. It can be concluded that Malaysian consumer stated approval to the JAKIM Halal logo rather than artificial Halal logo in Malaysia. The highest number that record in

Note : (SD) Strongly disagree , (D) Disagree, (D) Litle disagree, (NS) Not sure, (LA) Litle agreed, (A) Agreed, (SA) Strongly agreed.

statement 1 shown that Malaysian consumer need the Halal logo to assist them to buy and consume the Halal product.

Table 3 shows the distribution of consumer views regarding to the status of Halal logo on a business in Malaysia. Level view of the Halal logo is classified into three, which are low (1.00 - 2.33), moderate (2.34 - 3.66) and high (3.67 - 5.0). Overall, respondents were aware of the Halal status of a business.

Table 3						
Distribution of the views of users toward the status JAKIM Halal logo on a business						
in Malaysia						

No	Statement	Measurement	Level of view	Mean	Std. Deviation
3	I found a message / information contained in the advertising flyers relating to the Halal status of the restaurant is	Believeable	High	4.41	1.770
4	I found a message / information contained in the advertising flyers relating to the Halal status of the restaurant is	Convincing	High	4.35	1.660
5	I found a message / information contained in the advertising flyers relating to the Halal status of the restaurant is	Reasonable	High	4.58	1.571
6	I found a message / information contained in the advertising flyers relating to the Halal status of the restaurant is	Honest	High	4.46	1.480
7	I found a message / information contained in the advertising flyers relating to the Halal status of the restaurant is	Conclusive	High	4.32	1.728

In the statement of 3, 4, 5, 6 and 7, the respondents' views on the JAKIM Halal logo contained in the advertising flyers are positively high. In the statement 3, the mean was 4.41 and the standard deviation were 1.770. This show that the respondents found a message / information contained in the advertising flyers relating to the Halal status of the restaurant is believable. In addition, the level of respondent views in statement 4 also high. The mean for this statement was 4.35 and the standard deviation was 1.660. This means that the respondent is sure to JAKIM Halal logo appearing in the ad business.

For statement 5, the mean was 4.58 and the standard deviation was 1.571. This analysis show, JAKIM Halal logo appearing in the advertising flyers is reasonable for the respondent. Furthermore, the respondents' views on honesty JAKIM Halal logo appearing in the advertising flyers is high. It can be seen that the mean for statement 6 were 4.46 and the standard deviation were 1.480. Lastly, mean for the statement 7 were 4.32 and standard deviation were 1.728. The level of the respondent views was high. That means, the respondents found a message / information contained in the minutes relating to the Halal status of the restaurant is conclusive.

Table 4 shows result about consumer's awareness on product Halal's status. The objective in this section to gain respondent awareness and knowledge about product

halal's status. Respondent are given 5 statement and they need to determine either the statement is true or false.

No	Statement	Agreement	Percentage (%)
8	Drugs - medications containing lard is Halal	Тгие	9
		False	91
9	Cake using alcohol as an ingredient blend is Halal	True	4
		False	96
10	Things to harm a person's health (such as smoking) is Halal	Тгие	7
		False	93
11	Medicines containing alcohol is drunk Halal	True	29
		False	71
12	Eating at the restaurant, which also provides Haram's food such as pork is Halal	True	4
		False	96

 Table 4

 Consumer's awareness on Halal's status product status in Malaysia

Out of 100 respondents, 91% said 'drug-medication containing lard is Halal' false and 9% respondent said its true. From this respondent, 96% respondent contend 'cake using alcohol as an ingredient blend is Halal were false and the rest of respondent, 4% said its true. Out of 100 respondents, 93% respondent expressed that statement 10, 'things to harm a person's health (such as smoking) is Halal' false and 7% of it said its true. According to statement 11, 71% respondents indicated that 'Medicines containing alcohol is drunk Halal' is false and 29% said its true. Lastly, out of 100 respondents, 96% described that 'Eating at the restaurant, which also provides Haram's food such as pork is Halal' is false and 4% said its true.

# CONCLUSION

Based on this study, the majority of respondents involved 63% were female compared with 37% of male. In addition, Malay is the most ethnic recorded of 78% majority in this study. Education of undergraduate education is listed as the biggest amount of 69% of the respondents. In short, majority respondent that involved in this study basically Malay, Islam and respondent who are have education at degree level.

In other hand, according to the data collection, the majority of Malaysian consumers know products are included with logo certified by JAKIM is Halal. From the number of answered that have been received, amount 85% of the overall respondent agree that the Halal food prepared by restaurant featuring JAKIM Halal logo. Respondent can see the usefulness of this JAKIM Halal logo as a guide and knowledge about the status of Halal products in Malaysia. However, Malaysian consumers less sensitive to products that display fake Halal logo and logo were not certified Halal by JAKIM. A total of 80% of Malaysia also agree that Halal meals provided by restaurants featuring fake/artificial Halal logo. Malaysian consumers see the fake/artificial Halal logo as a guide to buy or consume Halal product. Actually, Malaysian consumer do not care about the real Halal logo as long as they use products that have Halal logo.

According to the consumer views about JAKIM Halal logo, majority of the respondent believe to the JAKIM Halal logo. Malaysian consumer also agreed that JAKIM Halal logo was convincing. Other than that, they also mentioned that JAKIM Halal logo was honest and conclusive. From this statement, it can be concluded that majority of Malaysian respondent aware to the Halal JAKIM logo. Based on the consumer positive view toward the Halal logo JAKIM, Malaysian consumers should use JAKIM Halal logo when purchasing the product. Malaysian consumers should avoid products that display fake/artificial Halal logo and only choose products based on the Halal logo by JAKIM.

Last section, majority of Malaysian consumer aware toward the Halal's product status. Majority of Malaysian consumer agreed, product that containing Haram ingredient such as pork, lard and alcohol is totally Haram. Majority of Malaysian consumer also knew, activities consuming a dangerous product that can damage the body is Haram. However, there are also a handful of Malaysian consumers who do not know about the Halal status of a product. This is due to lack of relevant education among consumers regarding to the concept of Halal and Haram in Malaysia.

In conclusion, Majority of Malaysian consumer aware to the use of JAKIM Halal logo. However, Malaysian consumer not concerned about the use of fake/artificial Halal logo. This is very alarming because users will be exposed to scam some traders who are looking for an easy way to boost sales of their products. The bigger problem may occur when the user is exposed to the illegal use of products that are contrary to the concept of Halal. This research objective to study of Malaysian consumer awareness toward the use of JAKIM Halal logo. All information recorded in this study can be used for academic and future use. Researchers hope is to provide an opportunity for other researchers to continue their efforts and studies so Halal industry in Malaysia can be developed further in the future.

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