



Enhancing MSME Awareness on Halal Certification: A Community-Based Socialization Approach

Nurul Hidayah*

Universitas Islam Negeri Raden Intan Lampung,
INDONESIA

Anggun Sugesti

Universitas Islam Negeri Raden Intan Lampung,
INDONESIA

Cinta Davia Putri Avrillusita

Universitas Islam Negeri Raden Intan Lampung,
INDONESIA

Firli Putri Gunawan

Universitas Islam Negeri Raden Intan Lampung,
INDONESIA

Ira Orlensyah

Universitas Islam Negeri Raden Intan Lampung,
INDONESIA

Jaka Nugraha

Universitas Islam Negeri Raden Intan Lampung,
INDONESIA

Article Info

Article history:

Received: September 15, 2023

Revised: November 28, 2023

Accepted: December 16, 2023

Keywords:

entrepreneurs' awareness;
halal certification;
halal product socialization;
msmes (micro, small, and
medium enterprises).

Abstract

Halal product certification plays a crucial role in ensuring product safety, enhancing consumer trust, and expanding market opportunities, particularly for Micro, Small, and Medium Enterprises (MSMEs). However, many MSME owners lack awareness of its importance and face challenges in the certification process due to limited knowledge and resources. This community service program, conducted in Bujung Buring Village, Tanjung Raya District, Mesuji Regency, Lampung Province, aims to address these issues by increasing MSMEs' understanding of halal certification and assisting them in obtaining certification. The study employs the Participatory Action Research (PAR) method, integrating research with social change by involving MSMEs throughout the planning, implementation, and evaluation stages. The program includes potential and problem mapping, certification awareness campaigns, and direct assistance in the halal certification registration process. The results indicate a significant improvement in MSME owners' understanding of halal certification. Additionally, MSMEs reported increased confidence in marketing their products to a broader consumer base. This initiative demonstrates the effectiveness of community-based interventions in promoting halal certification and can serve as a model for similar programs in other regions. Further research and policy support are recommended to sustain and expand halal certification initiatives for MSMEs, ensuring wider adoption and compliance with halal product regulations.

To cite this article: Hidayah N., Sugesti, A., Avrillusita, C. D. P., Gunawan, F. P., Orlensyah, I., & Nugraha, J. (2023). Empowering Micro Entrepreneurs: Halal Certification Awareness and Its Impact on MSMEs. *Smart Society : Community Service and Empowerment Journal*, 3(2), 63-68

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a crucial role in supporting the national economy. In addition to creating job opportunities, MSMEs contribute to poverty reduction, foster entrepreneurial character, and improve community welfare. The resilience of MSMEs during economic crises is attributed to the strong motivation of business owners to develop their enterprises. Moreover, MSMEs play a significant role in the distribution of development outcomes and the optimization of national resources, including labor, to achieve sustainable economic growth.

With the advancement of food technology, food and beverage processing methods continue to evolve. However, these developments also present new challenges, particularly concerning the halal assurance of products. Contamination with non-halal substances can occur at various stages of production, from raw material storage and processing to packaging. This raises concerns among

* **Corresponding author:**

Author, Universitas Islam Negeri Raden Intan Lampung, INDONESIA. ✉ nurul.hidayah@radenintan.ac.id

© 2023 The Author(s). **Open Access.** This article is under the CC BY SA license (<https://creativecommons.org/licenses/by-sa/4.0/>)

Muslim consumers who seek assurance that the products they consume are genuinely halal. Therefore, halal certification is essential in ensuring product safety and compliance with Islamic principles.

Regulations on halal product assurance have been strengthened through Law No. 33 of 2014 on Halal Product Assurance (JPH), which mandates that all products circulating in Indonesia must have halal certification. This regulation aims to protect consumers and enhance the competitiveness of products in both domestic and international markets. However, despite the enforcement of this law, many MSMEs still lack halal certification. Several challenges hinder compliance, including a lack of awareness about registration procedures, limited access to information, and the perception that certification is costly and complicated.

Previous studies have highlighted the importance of halal certification in increasing consumer trust and improving the competitiveness of MSMEs. However, most approaches have been limited to theoretical socialization without adequate technical assistance. In reality, one of the main challenges faced by MSMEs is not just a lack of awareness but also the absence of knowledge on how to register their products for halal certification. Therefore, a more comprehensive approach is needed—one that not only provides conceptual understanding but also practical guidance in the certification process.

In this context, the novelty of this program lies in its integrated approach, which goes beyond mere awareness-raising. This program not only educates MSME actors on the importance of halal certification but also provides direct assistance in the registration process. By doing so, it aims to reduce barriers to obtaining halal certification and increase the number of MSMEs with halal-labeled products.

The primary objective of this program is to educate MSMEs about halal certification, help them understand the registration procedures, and provide technical assistance in registering their products for certification. Unlike previous approaches that relied solely on theoretical dissemination, this program offers a more practical solution by directly assisting MSMEs at every stage of the certification process. The success of this program is measured by the increase in the number of MSMEs obtaining halal certification and the improvement in their understanding of halal product assurance in their business practices.

METHOD

The study employs the Participatory Action Research (PAR) method, which integrates research with social change by involving MSMEs in the planning, implementation, and evaluation process. Community engagement activity was carried out using a direct socialization method, where visits were made to the homes of micro, small, and medium enterprise (MSME) owners in Bujung Buring Village. Socialization serves as an effective approach to influencing individuals' awareness and encouraging them to take an active role in a given matter (Murtani, 2019). In this context, socialization was conducted to provide a comprehensive understanding of halal product certification and to assist MSME owners in registering their products for halal certification.

To ensure the effectiveness of this initiative, the implementation was structured into three main stages: (1) potential and problem mapping, (2) preparation for socialization, and (3) execution of the socialization activities. These stages were carefully designed to ensure a well-planned process and minimize shortcomings during implementation.

1. Potential and Problem Mapping

The first stage involved mapping the potential and identifying key challenges faced by MSME owners regarding halal certification. This process aimed to gain a comprehensive understanding of the local context where the engagement activity took place. In addition to gathering official data from village authorities, direct coordination was conducted with MSME owners to collect primary insights. The analysis led to two key findings: (1) a significant number of MSME owners lacked awareness regarding the importance of halal certification, and (2) many MSME owners overlooked the necessity of including a halal label on their products.

2. Preparation for Halal Certification Socialization

The second stage focused on preparing for the socialization activities. This began with identifying qualified speakers to deliver the materials. Following this, coordination with MSME owners was carried out to determine the most suitable schedule for the socialization sessions, ensuring that they aligned with the production schedules of the business owners. This was intended to facilitate the direct application of the knowledge provided during the session.

3. Execution of the Halal Certification Socialization

The final stage involved the implementation of the socialization sessions. These sessions were conducted through direct visits to MSME owners' homes, where the speakers provided detailed explanations on the importance of halal certification, the registration process, and its benefits for business sustainability. The sessions lasted for one hour and concluded with an interactive discussion and Q&A session to clarify any doubts and ensure that participants fully understood the material.

Through this structured and participatory approach, this initiative aims to enhance MSME owners' awareness and encourage them to actively pursue halal certification, thereby ensuring that their products comply with halal standards and are trusted by consumers.

RESULTS AND DISCUSSION

The participants of the socialization activity were Mr. Saman and Mrs. Sapar, who are MSME owners producing *kelanting* in Bujung Buring Village, Tanjung Raya District, Mesuji Regency, Lampung Province. The images below document the socialization process, where MSME owners received well-structured materials designed to enhance their understanding and awareness of the importance of halal product certification.

This socialization is part of a mandatory program at UIN Raden Intan Lampung, which requires KKN students to assist MSME owners in Bujung Buring Village in registering their products for halal certification. As a result of this initiative, MSME owners could obtain a halal certificate free of charge, eliminating financial barriers that might otherwise prevent them from certifying their products.



Figure 1. Halal Certification Socialization for Kelanting MSMEs



Figure 2. Kelanting Production Process



Figure 3. Kelanting Production Process



Figure 4. Kelanting Product Packaging Process

Before the socialization, most MSME owners lacked awareness of the importance of halal labeling. They assumed that as long as their products did not contain haram ingredients, certification was unnecessary. This misconception aligns with findings from Fajriah et al. (2022), which revealed that many small business owners consider halal certification to be optional rather than essential.

However, after the socialization, MSME owners recognized that halal certification enhances consumer trust and market competitiveness. Research by Rachmawati et al. (2021) similarly found that halal-certified products attract a broader market, especially in Muslim-majority regions. This highlights the economic benefits of certification, beyond religious compliance.

The importance of halal certification is reinforced by Law No. 33 of 2014 on Halal Product Assurance, which mandates that all food and beverage products must obtain halal certification by 2024. Failure to comply could result in legal consequences for business owners. The Indonesian government has actively promoted free halal certification programs to support MSMEs. However, research by Setiawan & Prabowo (2023) found that many small business owners remain unaware of these initiatives, highlighting the need for better dissemination and guidance—a gap that this socialization program directly addresses.

Compared to previous studies, this initiative demonstrates a direct intervention approach by providing personalized guidance and immediate certification assistance. Suryani et al. (2020) found that mass socialization programs (seminars/workshops) increase general awareness but fail to ensure certification completion. In contrast, Rahmatullah et al. (2021) suggested that one-on-one mentorship and direct registration assistance are more effective—a method successfully implemented in this study. Thus, while general outreach programs are beneficial, direct engagement with MSME owners leads to higher success rates in obtaining halal certification.

Halal certification provides significant benefits for both MSME owners and consumers. For MSME owners, it increases consumer trust, expands market reach, and ensures legal compliance. Certified products can enter larger markets, including export markets in Muslim-majority countries. For consumers, halal certification guarantees religious compliance, eliminates doubt regarding product permissibility, and enhances consumer protection by ensuring food safety standards.

The findings of this study reinforce the critical role of direct engagement in improving MSME owners' awareness and compliance with halal certification. Compared to seminars or mass socialization programs, one-on-one assistance proves more effective in ensuring successful certification. Future research could explore the long-term impact of halal certification on MSME business growth, as well as potential barriers preventing other MSMEs from obtaining certification. Additionally, collaboration with government agencies could further streamline the certification process, ensuring broader participation among small business owners.

CONCLUSION

Based on the results of the research and analysis that have been carried out, it can be concluded that there are still many business actors in Bujung Buring Village who do not understand the importance of halal certification. This is due to the lack of socialization regarding the procedures, implementation, and benefits of halal certification, both for products, consumers, and business actors themselves. The lack of information causes low awareness of business actors regarding the urgency of halal certification in increasing the competitiveness of their products in the market.

From the perspective of Sharia Economic Law, products circulating without halal certification do not have a halal guarantee and have the potential to not comply with sharia provisions. Business actors' ignorance regarding the requirement to include a halal logo and clear product information, such as an expiration date, is a challenge in itself. However, after participating in this socialization, business actors showed increased awareness and began to apply for halal certification independently to obtain official recognition.

In addition, the development of halal certification and labels in Bujung Buring Village is not only influenced by regulations, but also by cultural factors, culture, customs, and spiritual values of the local community. Although the majority of the population is Muslim, awareness of the importance of halal certification is still influenced by local customs and varying religious understandings. Therefore, a more intensive educational approach based on local values is needed to increase awareness and presence of actors regarding halal regulations.

REFERENCES

- Agus, P. A. (2017). *Kedudukan Sertifikasi Halal dalam Sistem Hukum Nasional sebagai Upaya Perlindungan Konsumen dalam Hukum Islam*. Amwaluna: Jurnal Ekonomi dan Keuangan Syariah, 1(1), 150–165.
- Charity, M. L. (2017). Jaminan Produk Halal di Indonesia. *Jurnal Legalisasi Indonesia*, 14(1), 99.
- Dwipradnyana, I. M. M., et al. (2020). Strategi Pengembangan Koperasi di Era Digital pada Koperasi yang Ada di Provinsi Bali. *Majalah Ilmiah Untab*, 17(2), 113.
- Hasanah Nuramalia, dkk., *Mudah Memahami Usaha Mikro Kecil dan Menengah (UMKM)*, Sidoarjo: Uwais Inspirasi Indonesia, 2020.
- H Grace Marissa, *Perjalanan Manajemen Industri dan Jaminan Produk Halal Indonesia*, Jambi: Sonpedia Publishing Indonesia, 2023.
- Muklis & Sari, S. P. (2020). Tingkat Pemahaman Pelaku UMKM terhadap Sertifikasi Halal pada Produk Dodol di Desa Serdang Kulon Kabupaten Tangerang Banten, 1(1), 21–31.
- Murni, S., & Fajrina, N. (2021). Pengaruh Labelisasi Halal terhadap Keputusan Pembelian pada Produk Makanan Ringan.
- Pramintasari, T. R., & Fatmawati, I. (2017). Pengaruh Keyakinan Religius, Peran Sertifikasi Halal, Paparan Informasi, dan Alasan Kesehatan terhadap Keputusan Pembelian Produk Halal.
- Rosmawati, et al. (2021). Persepsi Pemilik Apotek terhadap Kewajiban Sertifikat Halal.
- Sari, M. K. (2019). Peluang dan Tantangan Sertifikasi Halal pada Produk Makanan Usaha Mikro Kecil dan Menengah di Kota Jambi.
- Sukesti, F., & Budiman, M. (2014). The Influence of Halal Label and Personal Religiosity on Purchase Decision on Food Products in Indonesia.
- Syafrida, 'Sertifikat Halal Pada Produk Makanan dan Minuman Memberi Perlindungan dan Kepastian Hukum Hak-Hak Konsumen Muslim', *Jurnal Hukum*, vol. 7, no. 2, hh.163-164 dan 170-171.
- Syaifuddin, M. S. (2021). Analisis Persepsi Pelaku Usaha Mikro Kecil Menengah (UMKM) dan Masyarakat terhadap Sertifikasi Halal Produk Makanan.
- Yunus, E. (2021). Kesadaran Hukum Pelaku UMKM di Kabupaten Labuhanbatu Selatan terhadap Sertifikasi Halal Pasca Undang-Undang Nomor 11 Tahun 2020 tentang Cipta Kerja, 1(5).
- Zelvian, I. A. (2020). Sertifikasi Halal: Tinjauan Hukum Islam dan Implementasinya di Indonesia.
- Zuhri, M. (2021). Persepsi Usaha Mikro dan Kecil terhadap Kewajiban Sertifikasi Halal: Studi Kasus UMK di Kecamatan Sumbang.
- Dinas Koperasi Usaha Kecil dan Menengah Provinsi Jawa Tengah, 2023, Manfaat Sertifikat Halal

Bagi UMKM, dilihat 30 Agustus 2023, <<https://dinkop-umkm.jatengprov.go.id/berita/view/2620#:~:text=Manfaat%20sertifikasi%20halal%20meliputi%20Meningkatkan,di%20pasar%20domestik%20maupun%20internasional>>.