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Micro and Small Business Owners' Reluctance towards Halal Certification in Culinary Sector

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Abstrak

This study investigates the reluctance of micro and small business actors towards halal certification in the culinary sector, as well as the influencing factors. Data were collected through questionnaires, documents, literature, and secondary data from 218 respondents in South Sulawesi. The analysis employed Structural Equation Modeling (SEM) with the Partial Least Squares (PLS) Path Modeling approach using SmartPLS 4. Findings indicate a strong relationship between Lack of Socialization and Reluctance towards Halal Certification, weak subjective norms influencing decisions, as well as low intentions and trust levels. Low halal literacy also poses a constraint. There is a necessity for intensive socialization programs and social interactions influencing positive participation in adopting halal certification. This research provides profound insights for development strategies and policies aimed at enhancing the participation of micro and small business actors in the culinary sector, supporting the Islamic/Sharia economy, particularly in halal culinary businesses.

Keywords: Halal Reluctance, Low Literacy, Weak Norms, Lack of Socialization.

Introduction

Amidst increasing public scrutiny towards halal certification, many micro and small business actors in the culinary sector are rejecting the opportunity for halal certification. This can be observed from three crucial aspects. Firstly, religious and cultural norms play a crucial role. Some business actors feel that their culinary practices already align with religious guidelines and do not require additional halal certification (Masruroh and Shahrin 2022). Secondly, limitations in knowledge and information regarding halal certification affect decision-making. Uncertainty regarding financial benefits, customer trust, as well as the processes and costs involved in certification can lead to doubt (Yuwana and Hasanah 2021). Thirdly, economic factors are the primary consideration. Business actors must weigh the costs associated with halal certification, and if deemed to outweigh the expected benefits, they opt not to pursue certification (Simbolon and Hidayat 2021).

This study investigates the reluctance of micro and small business owners towards halal certification in the culinary sector of Bone Regency, utilizing four theories: The Theory of Planned Behavior (TPB) provides insights into the dynamics of decision-making regarding halal certification, highlighting the relationship between weak intentions and reluctance towards certification (Rehman et al. 2023). Meanwhile, the Socialization Theory discusses the influence of social norms and the environment on reluctance towards halal certification (Sabermajidi et al. 2020), The Social Norms Theory highlights the role of subjective norms in shaping negative attitudes towards halal certification (Feng, Chen, and Ahn 2021). Lastly, the Trust Theory emphasizes the role of trust in influencing reluctance, identifying key factors such as certification institution integrity. This research offers insights into the psychological and social factors influencing the behavior of micro and small business owners regarding halal certification, aiming to design appropriate and sustainable intervention strategies to enhance acceptance of halal certification in the culinary sector (Yang Zhang 2023).

Research on the reluctance of micro and small business owners towards halal certification in culinary products in Bone Regency has not received attention from previous researchers. In identifying this research gap, it is divided into three aspects: the behavior of business actors conducted by Mohamed Syazwan Ab Talib and Mohd Hafiz Zulfakar (Ab Talib and Zulfakar 2023), Norliza Katuk dkk (Katuk et al. 2021), and Mohani Abdul (Abdul 2015), economic and operational factors conducted by Muniaty Aisyah et al. (Aisyah, Suzanawaty, and Said 2019), Jaenal Effend (Effendi and A 2023), Mahmoud Amer (Amer 2022), as well as social and cultural factors conducted by Intan Nurachmi and Setiawan (nurachmi 2020), Firdaus Fanny Putera Perdana dkk (Fanny et al. 2019), and Nico Alesander Vizano dkk (Vizano, Khamaludin, and Fahlevi 2021). Previous studies encompass aspects of halal food supply chain management, business owners' awareness of market expansion benefits through halal certification, and the importance of halal certification for micro, small, and medium-sized enterprises. Additionally, economic and operational factors discuss Muslim consumers' awareness of licensed halal restaurants, cross-sector synergy in the socialization and implementation of halal certification. Research on social and cultural factors explores the influence of religiosity, belief, and satisfaction on purchasing halal products, as well as the impact of attitudes, subjective norms, and behavior control on the intention to purchase halal products.

This study has three main justifications. Firstly, awareness of the challenges of halal certification for micro and small business owners, which leads to reluctance due to economic, operational, and social constraints. Understanding these challenges enables the development of better solutions, encourages broader participation in halal certification, and has a positive impact on the halal industry in the culinary sector in South Sulawesi. Secondly, the influence of reluctance on consumer perceptions and beliefs regarding halal products and culinary businesses. Thirdly, the importance of economic and operational factors in business decision-making, where business owners consider the costs of process changes, raw material procurement, and certification costs against expected profits. This research is significant as it addresses the existing literature gaps by providing deeper insights into the reluctance of micro and small business owners towards halal certification in the culinary sector of Bone Regency.

Literature Review

Theoretical Background

This research employs four theories to investigate the reluctance of micro and small business owners towards halal certification in the culinary sector. The Theory of Planned Behavior (TPB) provides a deep understanding of the psychological factors shaping behavior, particularly intention as a direct predictor of actual behavior. TPB highlights the influence of social norms and social pressure in shaping individuals' attitudes and behaviors (Rehman et al. 2023). The Socialization Theory emphasizes the importance of interaction with socializing agents in shaping values, norms, and individual social behavior. Social Norms Theory explains how individuals internalize social norms and their behavior reflects the extent to which they comply with or violate these norms. Trust Theory emphasizes the role of trust in shaping behavior and interpersonal interactions, focusing on individuals' beliefs in others.

The Reluctance Of Micro and Small Business Owners Towards Halal Certification in the Culinary Sector

Micro and small business owners refer to individuals or business entities with limited operational scale and production capacity (Warcito, Ikhwan, and Butarbutar 2020). Halal certification is an official step taken by halal certification bodies to evaluate, verify, and inform the compliance of a product or service with halal standards (Syafitri, Salsabila, and Latifah 2022). The culinary sector refers to business activities that provide food and beverage products (Mariam, Rohani, and Naldo 2023). The reluctance of micro and small business owners towards halal certification in the culinary sector refers to the refusal or disagreement of business owners with the process of obtaining halal certification (Jibrani 2022).

Weak Intentions for Halal Certification and Reluctance for Halal Certification

In the Theory of Planned Behavior (TPB), the relationship between Low Halal Certification Intent (LHCI) and Reluctance to Obtain Halal Certification among micro and small business owners in the culinary sector involves factors such as attitude, subjective norms, and perceived behavioral control (Rehman et al. 2023). A positive attitude towards halal certification and support from the environment can strengthen the intention to pursue certification. However, reluctance arises due to negative attitudes towards the certification process, lack of social support, and constraints in engagement. Interventions can enhance understanding, change attitudes, reinforce positive subjective norms, and increase behavioral control (Rehman et al. 2023), thus reducing reluctance and enhancing acceptance of halal certification among micro and small business owners in the culinary sector. Based on the explanation above, it can be hypothesized:

H1: Weak Halal Certification Intentions significantly influence Halal Certification Reluctance

Weak Subjective Norms and Halal Certification Reluctance

The Social Norms Theory explains that the lack of support and influence of subjective norms from the social environment can lead to the reluctance of micro and small business owners in the culinary sector to pursue halal certification (Feng, Chen, and Ahn 2021).

When entrepreneurs do not feel supported by social norms to pursue certification, they may be less motivated to do so (Balques, Noer, and Nuzulfa 2017). Enhancing understanding and support from the social environment can be an effective strategy to reduce reluctance towards halal certification among micro and small business owners in the culinary sector. Based on the explanation above, it can be hypothesized that :

H2: Low Subjective Norm significantly influences the reluctance towards Halal Certification

Insufficient Socialization and Reluctance towards Halal Certification

The Socialization Theory explains the relationship between insufficient socialization and reluctance towards halal certification among micro and small-scale entrepreneurs in the culinary sector (Sabermajidi et al. 2020). Insufficient socialization reflects limitations in learning social values and norms, resulting in inadequate understanding of halal certification. Entrepreneurs who are less exposed to information and social support tend to experience uncertainty and reluctance towards the certification process (Fatmawati, Setiawan, and Nasik 2023). Insufficient socialization reflects limitations in learning social values and norms, resulting in inadequate understanding of halal certification. Entrepreneurs who are less exposed to information and social support tend to experience uncertainty and reluctance towards the certification process (Sabermajidi et al. 2020). Based on the explanations above, it can be hypothesized that.:

H3: Insufficient socialization significantly influences the reluctance towards Halal Certification

Negative Attitudes and Weak Intention towards Halal Certification

The Theory of Planned Behavior (TPB) is used to explain the relationship between Negative Attitudes and Weak Intention towards Halal Certification among micro and small-scale entrepreneurs in the culinary sector (Rehman et al. 2023). Negative attitudes towards halal certification encompass negative views or rejection of the certification process, influenced by subjective norms. Negative attitudes hinder the intention to obtain certification. Interventions include educational campaigns, building supportive subjective norms, and enhancing behavioral control (Fauziah and Pradesyah 2023). TPB provides a comprehensive framework for understanding and intervening in the relationship between negative attitudes and weak intention towards halal certification among micro and small-scale entrepreneurs in the culinary sector (Rehman et al., 2023). Based on the explanations above, it can be hypothesized that:

H4: Negative attitudes significantly influence Weak Intentions for Halal Certification

Low Halal Literacy and Negative Attitudes

In the Social Norms Theory, the relationship between Low Halal Literacy and Negative Attitudes among micro and small-scale entrepreneurs in the culinary sector depends on the influence of social norms on perceptions and attitudes towards halal certification (Feng, Chen, and Ahn 2021). Low halal literacy indicates a lack of understanding among

entrepreneurs about the principles of halal, including the halal certification process. Social norms that are less supportive or exert positive pressure on halal certification can lead to negative attitudes. Interventions can strengthen halal literacy and supportive social norms for halal certification through education, community building, and the involvement of religious institutions (Yuwana and Hasanah 2021). By fostering positive social norms, it is expected that negative attitudes can be reduced, and understanding of halal in the culinary business can increase. Based on the explanations above, it can be hypothesized that:

H5: Low Halal Literacy significantly influences Negative Attitudes

Low Trust Levels and Negative Attitudes

In the Social Norms Theory, the relationship between Low Halal Literacy and Negative Attitudes among micro and small-scale entrepreneurs in the culinary sector operates through the influence of social norms on perceptions and attitudes towards halal certification (Feng, Chen, and Ahn 2021). Low halal literacy reflects a lack of understanding regarding the principles of halal in Islam, including halal certification (Rizwan, Kurniasih, and Oktaviani 2024). When entrepreneurs have low halal literacy, the social norms around them may be less supportive of the importance of halal certification, which can lead to Negative Attitudes. Effective intervention strategies include enhancing halal literacy and reinforcing social norms that support halal certification through awareness campaigns, community formation, and the involvement of religious institutions. By fostering positive social norms, it is expected that negative attitudes among entrepreneurs can be reduced, and they become more receptive to the importance of halal in the culinary business. Based on the explanations above, it can be hypothesized that:

H6: Low levels of trust significantly influence Negative Attitudes

Weak Intent for Halal Certification as a Mediator

This study uses the Theory of Planned Behavior (TPB) to analyze the relationship between Negative Attitudes and Reluctance towards Halal Certification, with Weak Intent for Halal Certification as a mediator among micro and small business operators in the culinary sector (Rehman et al. 2023). Negative Attitudes towards halal certification influence intention and behavior, and weak intent for halal certification mediates the impact of Negative Attitudes on Reluctance towards halal certification (Rizwan, Kurniasih, and Oktaviani 2024). Interventions to reduce reluctance towards halal certification can involve strategies such as educational campaigns, building supportive subjective norms, and enhancing perceived behavioral control, in line with TPB variables (Fatmawati, Setiawan, and Nasik 2023). This study provides deep insights into the psychological factors affecting the decision-making of micro and small business operators regarding halal certification in the culinary sector. Based on the above explanation, it can be hypothesized that:

H7: Weak Intent for Halal Certification can mediate the relationship between Negative Attitudes and Reluctance towards Halal Certification.

Negative Attitude as a Mediator

In this study, the Theory of Planned Behavior (TPB) is used to explain the relationship between Negative Attitudes and Reluctance towards Halal Certification, with Weak Intent for Halal Certification as a mediator among micro and small business operators in the culinary sector (Rehman et al. 2023). Negative Attitudes towards halal certification can influence intention and behavior. Weak intent for halal certification acts as an

intermediary, linking the impact of negative attitudes to reluctance towards halal certification (Rehman et al. 2023). If business operators have negative attitudes towards halal certification, their intent becomes weak, increasing their reluctance towards halal certification. Interventions to change negative attitudes and reduce reluctance towards halal certification can involve educational campaigns, building supportive subjective norms, and enhancing perceived behavioral control (Sekarwati and Hidayah 2022). This study provides insights into the psychological factors affecting the decision-making of micro and small business operators regarding halal certification in the culinary sector. Based on the above explanation, it can be hypothesized that:

H8 (a-b): Negative Attitudes can mediate the relationship between:

- a. Low Halal Literacy and Weak Intent for Halal Certification
- b. Low Level of Confidence and Weak Intent for Halal Certification

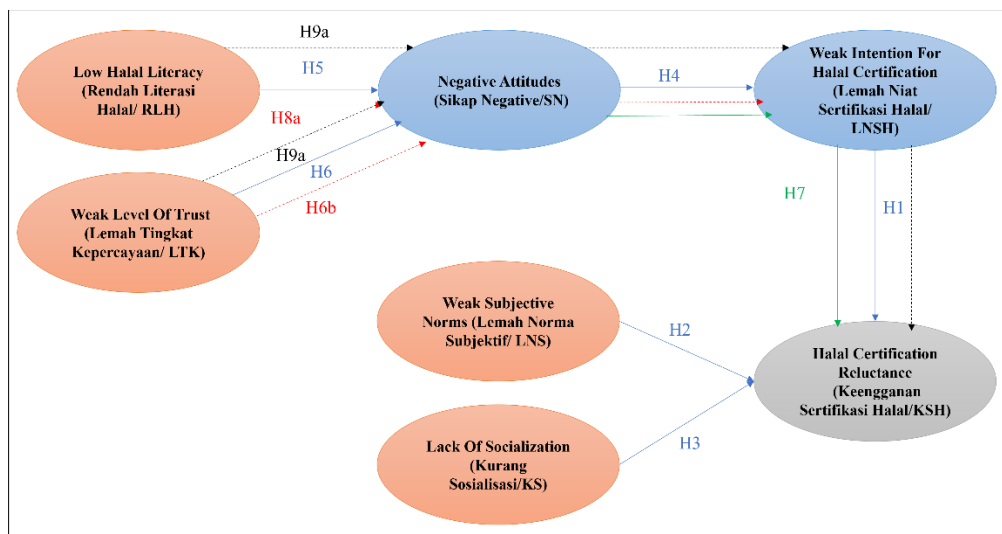
Negative Attitudes and Weak Intent for Halal Certification as Mediators

The Theory of Trust (Yang Zhang 2023) dan *Teori Planned Behavior* (TPB) explain the reluctance of micro and small business operators in the culinary sector towards halal certification (Rehman et al. 2023). Low trust in the certification process results in negative attitudes and weak certification intent, motivating reluctance. TPB indicates that low halal literacy contributes to negative attitudes, influencing reluctance and weak certification intent (Simbolon and Hidayat 2021). Both theories highlight the complex interplay of psychological factors, attitudes, and intentions of business operators towards halal certification. The implications of these findings provide a basis for intervention strategies to enhance the acceptance of halal certification among micro and small business operators in the culinary sector. Based on the above explanation, it can be hypothesized :

H9 (a-b): Negative Attitudes and Weak Intent for Halal Certification can mediate the relationship between:

- a. Low Halal Literacy and Reluctance towards Halal Certification
- b. Weak Levels of Trust and Reluctance towards Halal Certification

Conceptual model of study



The conceptual model of this research depicts four exogenous variables, namely Low Halal Literacy (RLH), Weak Trust Level (LTK), Weak Subjective Norm (LNS), and Lack of Socialization (KS), along with one endogenous variable, which is Reluctance towards Halal Certification (KSH). Two intervening variables, Negative Attitude (SN) Weak Intent for Halal Certification (LNSH), act as mediators. The significant relationships between these variables provide a deep understanding of the reluctance of micro and small business operators towards halal certification in South Sulawesi. This study makes a significant contribution to the literature on the development of Islamic economics and the halal culinary business.

Research Method

Research Design

This research employs the Structural Equation Modeling (SEM) method utilizing the Partial Least Squares (PLS) approach to explore the reluctance of micro and small business operators towards certification in the culinary sector. The selection of SEM-PLS was made due to its advantages in evaluating the relationships among variables holistically and considering both direct and indirect influences among these variables. This approach enables the development of a path model that enhances the ability to explain the interconnections between the variables under investigation.

Measurement

To validate the proposed conceptual research model, a questionnaire was designed with two main sections. The first part provides a brief overview of the research objectives, questionnaire completion guidelines, and its correlation with socio-demographic information, including respondent's age, type of business, education, and income. The second part aims to construct the model structure, consisting of multiple-choice item scales using a five-point Likert Scale ranging from "Strongly Disagree" (1) to "Strongly Agree" (5). This section comprises 21 questions: 3 related to Reluctance towards Halal Certification (KSH), 3 about Weak Intent for Halal Certification (LNSH), 3 focusing on Low Halal Literacy (RLH), 3 addressing Negative Attitudes (SN), 3 exploring Weak Subjective Norms (LNS), 3 related to Lack of Socialization (KS) and 3 about Weak Trust Levels (LTK). This construction is provided in Table 1. Tabel 1.

Table 1. Measurment of Constructs

Constructs	Operational Defenitions	Indicators	Codes
Reluctance towards Halal Certification (KSH)	Reluctance towards halal certification refers to attitudes or views indicating rejection or disapproval of the halal certification process for specific products or services.	1. Halal certification intent	KSH1
		2. Perceived benefits/costs	KSH3
		3. Market demand influence	

Weak Intent for Halal Certification (LNSH)	Weak intent for halal certification refers to the lack of interest or motivation of micro and small business operators in undergoing the halal certification process for culinary products.	1. Resource limitations 2. Perception of financial benefits 3. Awareness of halal products	LNSH1 LNSH2 LNSH3
Low Halal Literacy (RLH)	Low halal literacy refers to a limited level of understanding and knowledge about the concept, standards, and practices related to halal in the context of culinary products according to Islamic teachings..	1. Understanding of halal requirements 2. Identification of raw materials 3. Participation in halal training	RLH1 RLH2 RLH3
Negative Attitudes (SN)	Negative attitudes refer to responses or views that are less positive or disagreeable towards a particular object, topic, or situation. This includes assessments leaning towards disagreement or doubt about the matter.	1. Halal market challenges 2. Certification body credibility 3. Level of halal education	SN1 SN2 SN3
Weak Subjective Norms (LNS)	Weak subjective norms refer to the lack of influence or weak views of business operators towards social norms, opinions of others, or expectations existing in their environment regarding a behavior or decision to undergo halal certification.	1. Family environment support 2. Halal community interaction 3. Perception of social benefits	LNS1 LNS2 LNS3
Lack of Socialization (KS)	Lack of socialization refers to implications related to the acceptance and understanding of halal certification.	1. Certification body interaction 2. Halal community involvement 3. Halal study programs	KS1 KS2 KS3
Weak Trust Levels (LTK)	Weak trust levels refer to a lack of belief or doubts of business operators towards	1. Perception of halal standards	LTK1 LTK2

something, entity, or concept. This includes uncertainties affecting business operators' views and attitudes towards the conformity of a product with halal standards and doubts about the credibility of the halal certification process.	2. Certification body integrity	
	3. Level of certification supervision	LTK3

Data Collection

The data collection for this research was conducted over the last three months, from September to November 2023, using convenience sampling techniques. To gather information, questionnaires were distributed to micro and small business operators in South Sulawesi, Indonesia, through online platforms, particularly Google Forms, which were then shared via WhatsApp and Instagram. A total of 218 complete respondents were documented in Google Forms, thus becoming the sample size for this study. This means the involvement of 218 respondents from micro and small business operators in South Sulawesi. As suggested by Hair et al. (Hair Jr. et al. 2017) with the minimum recommended number, the sample size for conducting multivariate analysis is ten times the number of research instruments. This study successfully met these criteria (Schermerle-Engel, Moosbrugger, and Müller 2003).

PLS-SEM Analysis

The analysis was conducted using the Partial Least-Squares Structural Equation Modeling (PLS-SEM) method with Smart PLS software version 4.0.8.9 (Sarstedt et al. 2022). This process consists of two steps, the first being the measurement model analysis to examine validity and reliability. Convergent validity was checked with factor loading scores above 0.7, CR exceeding 0.7, and AVE surpassing 0.5 (Gottens et al. 2018) while discriminant validity was evaluated through cross-loading and Fornell-Larcker criteria. Reliability was measured using Cronbach's alpha scores, with values above 0.6 considered reliable (Chawla and Joshi 2019). Langkah kedua melibatkan analisis model struktural, dengan P-Value yang signifikan secara statistik $<0,05$ dan nilai R-Square di atas 0,25 (Hair et al., 2019; Sarstedt & Cheah, 2019). The second step involves structural model analysis, with statistically significant P-Values <0.05 and R-Square values above 0.25 (Hair et al., 2019; Sarstedt & Cheah, 2019). Adjusted R-Square values above 0.25 and 0.50 indicate relevance to small, medium, and large predictions. The f^2 value is interpreted as 0.02 (small effect), 0.15 (medium effect), and 0.35 (large effect) (Hair Jr. et al. 2017).

In detail, the description of the model equations is as follows:

a) Direct influence is:

$$\eta_{KSH} = \beta\eta_{KSH} + \gamma^1_{LNSH}\xi_{LNSH} + \gamma^2_{LNS}\xi_{LNS} + \gamma^3_{KS}\xi_{KS} + \zeta... (1)$$

$$\eta_{LNSH} = \beta\eta_{LNSH} + \gamma_{SN}\xi_{SN} + \zeta... (2)$$

$$\eta_{SN} = \beta\eta_{SN} + \gamma^1_{RLH}\xi_{RLH} + \gamma^2_{LTK}\xi_{LTK} + \zeta... (3)$$

b) Indirect influence (mediating factor):

$$\eta_{KSH} = \beta\eta_{KSH} + \gamma^1_{LNSH}\xi_{LNSH} + \zeta... (4)$$

$$\eta_{LNSH} = \beta\eta_{LNSH} + \gamma^2_{SN}\xi_{SN} + \zeta... (5)$$

$$\eta_{SN} = \beta\eta_{SN} + \gamma^3_{RLH}\xi_{RLH} + \gamma^4_{LTK}\xi_{LTK} + \zeta... (6)$$

Keterangan:

η_{KSH} = endogenous latent variable KSH, η_{LNSH} = endogenous latent variable LNSH, η_{SN} = endogenous latent variable SN, $\beta\eta$ = coefficient matrix for endogenous latent variables (KSH, LNSH, SN, RLH AND LTK), γ = coefficient matrix for exogenous latent variables (KS, LNS, LNSH, SN, RLH, dan LTK exogenous variables), ξ = exogenous latent variables (KS, LNS, LNSH, SN, RLH, and LTK as exogenous variables), ζ = structural errors.

Result

Demographic profile of the respondents

Table 2 shows a majority of females (69.1%) and a focus on younger age groups, with 59.9% falling in the age range of 20 to 29 years. Educational backgrounds varied, with 12.1% holding a diploma, 38.7% holding a Bachelor's degree, and 4.1% holding a Master's degree. Respondents' occupations varied, reflecting economic and social diversity, with the majority falling into the "Other" category (68.7%). However, a small number of respondents owned local catering businesses (5.1%) and fast-food restaurants (1.4%), indicating the respondents' preferences for the type of business. In terms of monthly income, the majority of respondents (72.8%) had incomes below 5 million, while only a few respondents had incomes above 15 million per month.

Tabel 2.

Demographic Profile of Respondents

Criteria	Category	Frequency	Percent
Gender	Male	68	30,9
	Female	150	69,1
Age	20-29	131	59,9%
	30-39	49	22,6%
	40-49	31	14,3%
	50-59	8	3,2%
Education		3	1,4%
	Elementary School	5	1,8%
	Junior High school	83	38,2%
	High school	26	12,1%
	Diploma(I/II/III)	84	38,7%

	Bachelor's Degree (S1)	9	4,1%
	Master's Degree (S2)	8	3,7%
	Others		
Type of Business	Local Catering	11	5,1%
	Coffee Shop	21	9,7%
	Fast Food Restaurant	3	1,4%
	Eatery	17	7,8%
	Warteg	16	7,4%
	Others	149	68,7%
Income			
	Above Rp 10 million to Rp 15 million	15	6,9%
	Above Rp 15 million	6	2,8%
	Below Rp 5 million	158	72,8%
	Rp 5 million to Rp 10 million	39	17,5%

Source: processed primary data, 2023

Penilaian model pengukuran

Table 3 shows the factor loadings, Cronbach's alpha, composite reliability, and average variance extracted for the constructs in this study. Halal Certification Reluctance (KSH), Weak Intention for Halal Certification (LNSH), Weak Subjective Norm (LNS), Lack of Socialization (KS), Negative Attitude (SN), Low Halal Literacy (RLH), and Weak Level of Trust (LTK) show strong factor loadings, with Cronbach's alpha values indicating high internal consistency for halal certification reluctance (0,896), weak intention for halal certification (0,857), weak subjective norm (0,938), lack of socialization (0,851), negative attitude (0,866), low halal literacy (0,852), weak level of trust (0,892). The average variance extracted (AVE) values support convergent validity, with all constructs having AVE values above 0.6. Overall, these findings indicate strong reliability and convergent validity for the constructs studied, thereby contributing to the overall strength of the research model.

Tabel 3. Validitas dan Reabilitas konstruk

Kontruksi	indikator	Loading Factor	Alpha Cronbach	Composite reability	AVE
Halal Certification Reluctance	KSH1	0,913	0,896	0,899	0,828
	KSH2	0,915			
	KSH3	0,902			
Weak Intention for Halal Certification	LNSH1	0,885	0,857	0,860	0,777
	LNSH2	0,903			
	LNSH3	0,856			

Halal (LNSH)					
Weak Subjective Norm (LNS)	LNS1	0,935	0,938	0,939	0,890
	LNS2	0,951			
	LNS3	0,944			
Lack of Socialization (KS)	KS1	0,892	0,851	0,851	0,771
	KS2	0,899			
	KS3	0,814			
Negative Attitude (SN)	SN1	0,879	0,866	0,866	0,788
	SN2	0,888			
	SN3	0,896			
Low Halal Literacy (RLH)	RLH1	0,868	0,852	0,854	0,771
	RLH2	0,883			
	RLH3	0,884			
Weak Level of Trust (LTK)	LTK1	0,911	0,892	0,893	0,822
	LTK2	0,922			
	LTK3	0,887			

Source: Processed primary data, 2023

Table 4 shows the results of the analysis of the relationships between variables in the context of the study on reluctance towards halal certification in the culinary sector. The numbers for each variable indicate the correlation values between the two corresponding variables. The higher the correlation value, the stronger the relationship between the variables. The results show that all variables are interrelated, with significant correlations between the variables of lack of socialization, halal certification reluctance, weak subjective norms, weak intention for halal certification, weak level of trust, low halal literacy, and negative attitude. This indicates the complexity of the relationships between variables in the context of reluctance towards halal certification, requiring a deep understanding to fully comprehend the factors influencing this phenomenon. Tabel 4. Hasil uji kriteria former- Lacker criterion test

Variabel	KS	KSH	LNS	LNSH	LTK	RLH	SN
KS	0,878						
KSH	0,741	0,910					
LNS	0,737	0,777	0,943				
LNSH	0,736	0,792	0,801	0,881			
LTK	0,773	0,763	0,761	0,755	0,907		
RLH	0,747	0,747	0,670	0,790	0,744	0,878	
SN	0,771	0,783	0,870	0,830	0,827	0,748	0,888

Source: processed primary data, 2023

Structural Model Assessment

Table 5. Structural Model Assessment (Results and Decisions of Direct Effects)

No	Hubungan Kausalitas	Koefisien parameter	Standart Error	T- Statistik	P- Values	decision
H1	KS -> KSH	0,252	0.078	3.221	0.001	Accepted
H2	LNS -> KSH	0,296	0.079	3.749	0.000	Accepted
H3	LNSH -> KSH	0,369	0.090	4.094	0.000	Accepted
H4	LTK-> SN	0,605	0.067	9.015	0.000	Accepted
H5	RLH -> SN	0,298	0.078	3.847	0.000	Accepted
H6	SN -> LNSH	0,830	0.027	30.879	0.000	Accepted

Source: Processed Primary Data, 2023

Table 5 shows the results of the causality analysis between variables with parameter coefficients, standard error, t-statistics, and p-values. The relationship between Lack of Socialization and Halal Certification Reluctance has a parameter coefficient of 0.252, a t-statistic of 3.221, and a p-value of 0.001, indicating that this relationship is accepted. Similarly, the relationship between Weak Subjective Norm and Halal Certification Reluctance (H2), Weak Intention for Halal Certification and Halal Certification Reluctance (H3), and Negative Attitude and Weak Intention for Halal Certification (H6) are also accepted with significant t-statistics and p-values. Furthermore, the relationship between Weak Level of Trust and Negative Attitude (H4), as well as Low Halal Literacy and Negative Attitude (H5), are also accepted with significant t-statistics and p-values. Therefore, all hypotheses are accepted based on the analysis results.

Table 6 shows that the relationship between Negative Attitude and Weak Intention for Halal Certification, which subsequently leads to Halal Certification Reluctance (H7), is accepted with a parameter coefficient of 0.307, a t-statistic of 4.029, and a p-value of 0.000. Additionally, the relationship between Weak Level of Trust leading to Weak Intention for Halal Certification and Negative Attitude (H8a), and Low Halal Literacy leading to Weak Intention for Halal Certification and Negative Attitude (H8b), are also accepted with significant t-statistics and p-values. Furthermore, the relationships between Weak Level of Trust leading to Negative Attitude, Weak Intention for Halal Certification, and Halal Certification Reluctance (H9a), and Low Halal Literacy leading to Negative Attitude, Weak Intention for Halal Certification, and Halal Certification Reluctance (H9b), are also accepted with significant t-statistics and p-values. Therefore, all hypotheses are accepted based on the analysis results..

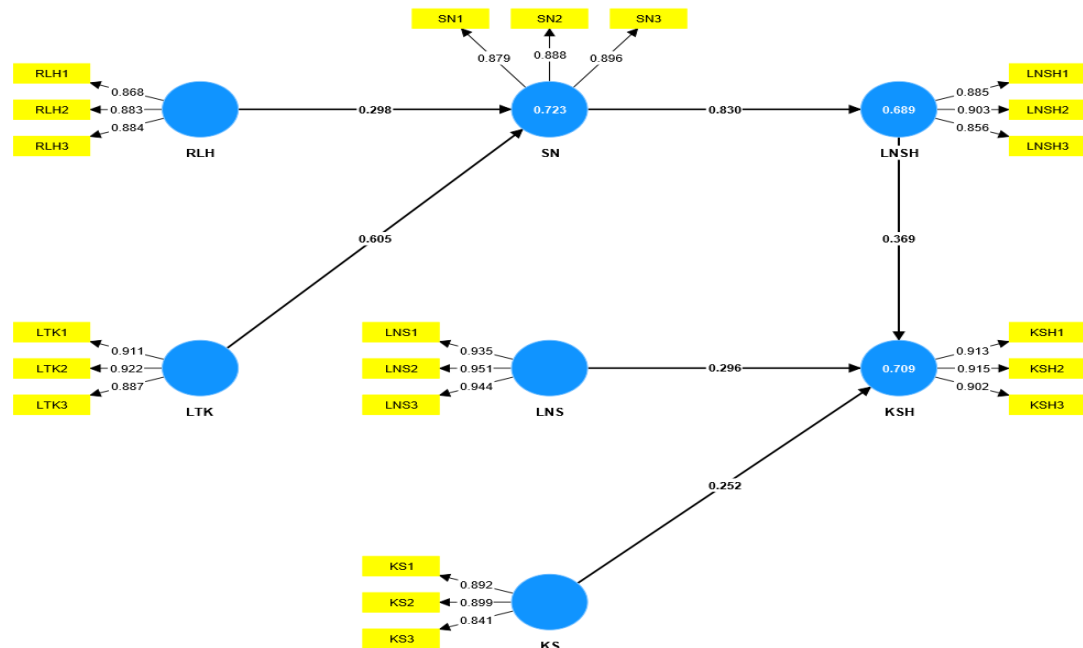


Table 6. Indirect Test Results

No	Relationship	Parameter Coefficient	Standar error	T- Statistik	P - values	Decision
H7	(SN) -> LNSH->(KSH)	0,307	0,076	4,029	0,000	Accepted
H8a	LTK->LNSH->SN	0,502	0,057	8,835	0,000	Accepted
H8b	RLH->LNSH->SN	0,248	0,067	3,705	0,000	Accepted
H9a	LTK->SN->LNSH->KSH	0,185	0,052	3,556	0,000	Accepted
H9b	RLH->SN->LNSH->KSH	0,091	0,033	2,755	0,000	Accepted

Table 7 shows that the R-Square value for halal certification reluctance is 0.709, meaning the model can explain about 70.9% of the variation in KSH. This indicates that the model has a good fit. The Adjusted R-Square, which takes into account the number of independent variables in the model, also demonstrates how well this model can be applied to a broader population. A high Adjusted R-Square value, as seen here, indicates that the model can be generalized well. Therefore, these results suggest that the variables of halal certification reluctance, weak intention for halal certification, and negative attitude significantly explain the variation in the phenomenon of reluctance towards halal certification.

Table 7. Measurement of R-square Effect

Variabel Endogen	R- Square	Adjusted R-Square
KSH	0,709	0,705
LNSH	0,689	0,687
SN	0,723	0,720

Table 8 shows the results of the analysis of relationships between variables using F-Square and Effect Size. The F-Square for the relationship between Lack of Socialization and Halal Certification Reluctance is 0.087, and 0.094 for the relationship between Weak Subjective Norm and Halal Certification Reluctance, indicating that the variation explained by lack of socialization and weak subjective norm on halal certification reluctance is small. However, the relationship between Weak Intention for Halal Certification and Halal Certification Reluctance has an F-Square of 0.146, indicating that the variable of weak intention for halal certification explains the variation in halal certification reluctance with greater strength. Additionally, the relationship between Weak Level of Trust and Negative Attitude has an Effect Size of 0.588, and 0.143 for the relationship between Low Halal Literacy and Negative Attitude, indicating statistically significant impacts. However, the most notable is the relationship between negative attitude and weak intention for halal certification, with a large Effect Size of 2.212, indicating a very significant impact in explaining the variation in weak intention for halal certification.

Tabel 8. Effect size of F-square

Variable Relationship	F-Square	Effect size
KS -> KSH	0,087	small
LNS -> KSH	0,094	small
LNSH -> KSH	0,146	large
LTK -> SN	0,588	medium
RLH -> SN	0,143	medium
SN -> LNSH	2,212	large

Discussion

Table 5 shows the results of the analysis of the direct effects of variables on the reluctance of micro and small business actors towards halal certification in the culinary sector. The findings indicate a significant direct influence between Weak Intent of Halal Certification and Reluctance towards Halal Certification, with a T-Statistic = 4.094 and a positive Parameter Coefficient (β) of 0.369, consistent with hypothesis H1 and in line with Syafitri's findings. The influence of Weak Subjective Norms on reluctance towards halal certification is also statistically significant (T-Statistic = 3.749, Parameter Coefficient (β)), supporting hypothesis H2 and the findings of Balques et al. (Balques, Noer, and Nuzulfah 2017). The significant relationship between Lack of Socialization and reluctance towards halal certification (Parameter coefficient (β) = 0.252) supports hypothesis H3 and the findings of

the study conducted by Muhammad Iqbal Ramadhan and M. Nasir (Ramadhan and Nasir 2023). Regarding the influence of Negative Attitudes towards weak intentions for halal certification, T-Statistic = 30.879 and Parameter Coefficient (β) = 0.830, supporting hypothesis H4 and consistent with the findings of Muhammad Agus Futuhul (Muhammad Agus Futuhul Ma'wa et al. 2023). The effect of Low Halal Literacy on negative attitudes (T-Statistic = 3.847, Parameter Coefficient (β) = 0.298) supports hypothesis H5 and is consistent with the findings of Andi Maryam and Sumar'in (Maryam and Sumar'in 2022). Furthermore, the influence of Weak Trust Levels on negative attitudes (T-Statistic = 9.015, Parameter Coefficient (β) = 0.605) supports hypothesis H6 and is consistent with the findings of Sukma Ayu et al. (Sukma Ayu et al. 2023).

This research reveals the complexity of factors underlying the reluctance of micro and small business owners to adopt halal certification in the culinary sector. The analysis highlights the significant influence of variables such as weak intention, weak subjective norms, lack of socialization, negative attitudes, low halal literacy, and minimal trust in the certification process. The findings emphasize the importance of understanding the interaction among these variables in the context of halal certification acceptance. Furthermore, the study found that negative attitudes and low trust act as mediators between these factors and reluctance. The implications of resistance to halal certification include significant impacts on income, competitiveness, and business reputation (Syarifuddin and Abdullah 2022). Policy recommendations include increasing understanding, fostering positive subjective norms, and trust in halal certification, as well as support for active participation in halal certification practices to support economic growth and business quality in the halal culinary sector (Putri, Nawawi, and Gustiawati 2021).

Table 6 shows the results of the analysis of the influence of Negative Attitudes on Halal Certification Reluctance through Weak Halal Certification Intention as a Mediator, with a T-Statistic value of 4.029 and a Parameter Coefficient (β) of 0.307, supporting H7 and consistent with the research by Alimatu Sholikhah and Firman Setiawan (Sholikhah and Setiawan 2022). The influence of Low Halal Literacy on weak halal certification intention and Weak Trust Level on weak halal certification intention resulted in T-Statistic values of 3.705 and 8.835 respectively, with Parameter Coefficients (β) of 0.248 and 0.502 respectively, supporting H8a and H8b, in line with the study by Erni Sekarwati and Malikhatul Hidayah (Sekarwati and Hidayah 2022). Analysis of the influence of low halal literacy on halal certification reluctance, and weak trust level on halal certification reluctance through negative attitudes and weak halal certification intention as Mediators yielded T-Statistic values of 2.755 and 3.556 respectively, with Parameter Coefficients (β) of 0.091 and 0.185 respectively, supporting H9a and H9b, consistent with the research by Amr Al-Ansi and Heesup Han (Al-Ansi and Han 2019).

This study indicates that resistance to halal certification among micro and small business owners is influenced by factors such as weak intention, negative subjective norms, and lack of understanding of the importance of halal (Simbolon and Hidayat 2021). Required interventions include intensive education programs and socialization campaigns to improve understanding, shape positive norms, and increase trust in halal certification (Kasanah and Sajjad 2022). However, to develop effective strategies, further research is needed considering different industry and regional contexts and evaluating the success of implemented interventions. This evaluation is crucial to identify the most suitable

approaches in addressing resistance to halal certification and promoting wider acceptance in the micro and small industry sectors. Therefore, these steps will support economic growth and enhance business quality in an increasingly polarized global environment.

In this study, it was found that Reluctance towards Halal Certification is influenced by several variables. Firstly, it is directly and significantly influenced by weak halal certification intention, weak subjective norms, and lack of socialization. Secondly, it is indirectly and significantly influenced by negative attitudes through weak halal certification intention as a mediator. Thirdly, it is indirectly and significantly influenced by low halal literacy and weak trust levels through negative attitudes and weak halal certification intention as mediators. This research also reveals a new finding that there is resistance to the implementation of Halal Certification in the culinary sector by micro and small-scale entrepreneurs in South Sulawesi, which contributes significantly to understanding the dynamics of behavior and factors influencing decisions related to halal certification in the context of the halal culinary industry.

Conclusion

The research findings indicate a significant relationship between several key variables in the context of micro and small business owners' reluctance towards halal certification in the culinary sector. These findings highlight the importance of interventions focused on enhancing understanding, positive subjective norms, and trust in halal certification, as well as facilitating the participation of micro and small business owners in halal certification practices to support economic growth and improve business quality in the sector. Factors such as lack of socialization, low subjective norms, low trust levels, and low halal literacy have been identified as the main causes of this reluctance.

The implications of resistance towards halal certification, including decreased income, financial pressure, and reduced competitiveness, can have detrimental effects on the economy and the business reputation of micro and small-scale entrepreneurs in the culinary sector, underscoring the importance of developing appropriate strategies and policies to address these issues. Therefore, concerted efforts are needed among the government, industry organizations, and other stakeholders to enhance awareness, provide training, and support the adoption of halal certification. Continuous evaluation of the effectiveness of these programs is also necessary to ensure that they can have a significant impact in reducing reluctance and increasing the participation of micro and small-scale entrepreneurs in halal certification within the culinary sector.

The results of this research provide a deeper understanding of effective strategies to address the reluctance of micro and small-scale entrepreneurs towards halal certification in the culinary sector. The recommendations include efforts to enhance socialization, change subjective norms, strengthen intentions, increase trust, improve halal literacy, and change negative attitudes. Intensive socialization programs, training, and seminars should be implemented to enhance positive understanding and family support for halal certification. Furthermore, a holistic approach through psychological support, emphasis on business benefits, and in-depth education will help transform negative attitudes into positive intentions regarding halal certification. Evaluation of comprehensive multidisciplinary education and research strategies is also necessary to identify more effective approaches in

addressing resistance to halal certification at the local and regional levels, as well as supporting the growth and development of halal businesses in the culinary sector.

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