

ANALYSIS THE IMPACT OF HALAL CERTIFICATION STRATEGIES ON THE DEVELOPMENT OF SMALL AND MEDIUM ENTERPRISES (SMEs) IN BANDUNG

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ABSTRACT

The study aims to determine the strategy for halal certification in the development of Culinary SMEs in the Greater Bandung Region from an internal and external perspective. The research method used is a qualitative method with a SWOT matrix approach of IFAS (Internal Strategic Factors Analysis Summary) and EFAS (External Strategic Factors Analysis Summary) and AHP (Analytical Hierarchy Process). The population in this study are competent parties who know the strategy of halal certification in the development of SMEs in the Greater Bandung Region and sampling was carried out using a purposive sampling technique with a total sample of 18 expert respondents who are ready and willing to be respondents. Based on the results of the IFAS and EFAS assessments, the halal certification strategy is in quadrant I, namely, "Grow and Develop". This research also shows the position of the halal certification strategy in the IA quadrant with the choice of the "Rapid Growth" strategy which has an S>O value, thereby supporting the SO strategy. Meanwhile, based on AHP analysis, the biggest problems and priority solutions are in the infrastructure aspect. The theoretical and practical implications of this research confirm that the problems and solutions that are the priority need to be considered by the relevant institutions. In conclusion, the government should play a proactive role in developing Culinary SMEs by raising awareness of halal opportunities and encouraging innovation. Halal certification institutions should optimize the certification process to support the development of Culinary SMEs.

Keywords: Small and medium enterprises; Halal certification; Development.

ABSTRAK

Penelitian bertujuan untuk mengetahui strategi sertifikasi halal dalam pengembangan UKM Kuliner di Wilayah Bandung Raya dari sudut pandang internal dan eksternal. Metode penelitian yang digunakan adalah metode kualitatif dengan pendekatan matriks SWOT IFAS (Internal Strategic Factors Analysis Summary) dan EFAS (External Strategic Factors Analysis Summary) dan AHP (Analytical Hierarchy Process). Populasi dalam penelitian ini adalah pihak-pihak yang berkompeten yang mengetahui strategi sertifikasi halal dalam pengembangan UKM di Wilayah Bandung Raya dan pengambilan sampel dilakukan dengan teknik purposive sampling dengan jumlah sampel sebanyak 18 responden ahli yang siap dan bersedia menjadi responden. Berdasarkan hasil penilaian IFAS dan EFAS, strategi sertifikasi halal berada pada kuadran I yaitu "Grow and Develop". Penelitian ini juga menunjukkan posisi strategi sertifikasi halal pada kuadran IA dengan pilihan strategi "Rapid Growth" yang mempunyai nilai $S > O$ sehingga mendukung strategi SO. Sedangkan berdasarkan analisis AHP, permasalahan terbesar dan prioritas solusinya ada pada aspek infrastruktur. Implikasi teoritis dan praktis dari penelitian ini menegaskan bahwa permasalahan dan solusi yang menjadi prioritas perlu dipertimbangkan oleh institusi terkait. Kesimpulannya, pemerintah harus berperan proaktif dalam mengembangkan UKM Kuliner dengan meningkatkan kesadaran akan peluang halal dan mendorong inovasi. Lembaga sertifikasi halal hendaknya mengoptimalkan proses sertifikasi untuk mendukung pengembangan UKM Kuliner.

Kata Kunci: Usaha kecil dan menengah; Sertifikasi halal; Pengembangan.

INTRODUCTION

As capital city of West Java Province, Bandung has a significant contribution to the regional economy, particularly from the SME and creative industry sectors. The development of creative industries in Bandung has shown a satisfactory increase. Currently, there are 33 creative industry centers in Bandung City, with seven main industrial area center. These include the Cibaduyut Shoes and Leather Processing Center, the Sukamulya Doll Center, the Binong Jati Knitting Center, the Cigondewah Textile Center, the T-Shirt Center Surapati, Cihampelas Jeans Center, and Cibuntu Tofu and Tempe Centers (DISKOP UMKM Bandung City, 2022).

Based on Table 1.2, the types of industry or UKM players in Bandung City are still dominated by the food industry with a total of 1533 business actors. According to (Muflih & Juliana, 2021) that the food industry in increasing public or consumer confidence must obtain halal certification or put a halal label on the product packaging.

However, based on the presentation by the government of Bandung, only 100 SMEs that have been certified halal in 2022 (Bandung City Government, 2021). This is an opportunity for the government to continue to increase literacies and assist in the issuance of halal certification for business actors to support the government's vision of making Indonesia a global sharia economic and financial center.

In 2018 and previous years, halal certification was voluntary and in 2019 it will become mandatory. By having a halal certificate, the product will have many competitive advantages. The law emphasizes that products that enter, circulate and trade in the Indonesian Territory must

be halal certified. For this reason, the government is responsible for administering the Halal Product Guarantee (JPH) (Ministry of Religion, 2022).

Table 1. Number of Industries or SMEs in the City of Bandung

No	Industry Type	Amount
1	Food	1533
2	Fashion	907
3	Trading	606
4	Handicrafts	455
5	Service	435
6	Etc	360

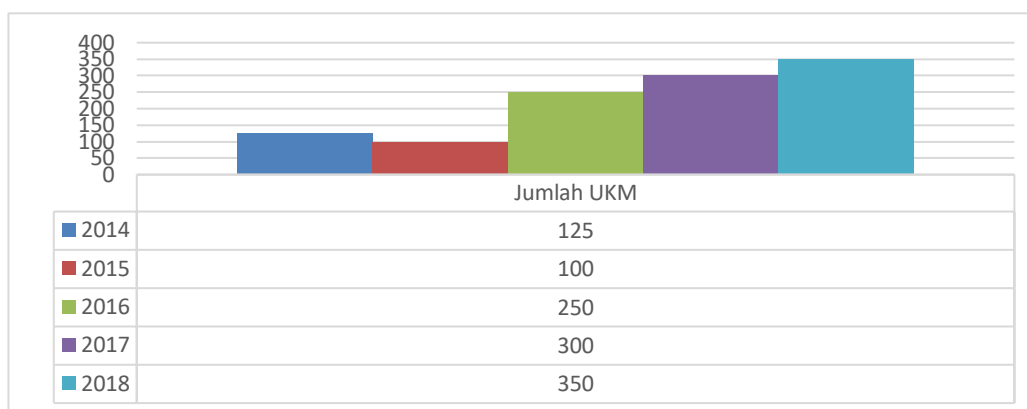
Source: (DISKOP UMKM Bandung City, 2022)

Table 2. MUI Halal Certification Data for the 2012 - 2019 period

Year	Number of Companies	Number of Halal Certification	Number of Products
2012	5829	6157	32890
2013	6666	7014	64121
2014	10180	10322	68576
2015	7940	8676	77256
2016	6564	7392	114264
2017	7198	8157	127286
2018	11249	17398	204222
2019	13951	11442	166018
Total	69577	76558	854633

Source: (LPPOM MUI, 2022)

Figure 1. Number of Halal Certified SMEs in Bandung City 2014-2018



Source: (DISPERINDAG, 2018)

Based on the data from *Table 2*, when there was a policy in 2019 regarding the mandatory ownership of halal certification, the number actually decreased. The highest number of halal certifications occurred in 2018, namely 17,398 which then decreased drastically in 2019 to 11,442 halal certifications. Based on data from LPPOM MUI West Java in 2021 - 2022 West, the number of SMEs that have been halal certified, especially those in Greater Bandung, are 177 and 200 business actors, respectively.

Whereas in 2014 – 2018 the Bandung City Trade and Industry Office has carried out the process of assisting the issuance of halal certification to SMEs on the Figure 1.

Based on Figure 1.3, the number of SMEs that have been halal-certified in the city of Bandung is still relatively low when compared to the number of food or culinary industries registered with the Bandung City Office of Cooperatives and SMEs. According to Dewa as LPPOM MUI West Java, this is because SMEs are reluctant to take care of issuing halal certification because there are several obstacles such as the large number of products that have a high critical point (processed meat) so that more costs are required in the submission process, and mindset that products that are halal-certified should still be the same as products that are not yet halal-certified.

Furthermore, to encourage SMEs in the process of issuing halal certification in 2022 the Ministry of Religion in collaboration with the Center for Halal Studies UIN Sunan Gunung Djati Bandung has carried out the process of assisting the issuance of halal certification which has been issued nationally as many as 2,014 halal certifications using the method self declare or those who are directly accompanied by a halal/PPH supervisor (UIN Sunan Gunung Djati,

2022).

Over time, food technology has developed very rapidly. This has an impact on determining the halalness of a processed product which is not as easy as in the past. Food technology involves genetic engineering of food, food coloring technology, food processing technology, packaging technology, preservation technology and often involves prohibited animal elements (Amen, 2015). Furthermore, there is high public awareness of orders regarding halal life style, especially in terms of consumption. Allah SWT says in the Quran:

مُيِّنٌ عَدُوَّكُمْ الشَّيْطَانَ إِنَّهُ خُطُوْتٍ تَتَّبِعُوا وَلَا طَيِّبًا حَلَالًا الْأَرْضِ فِي مِمَّا كَلُوا النَّاسُ يَا أَيُّهَا

Meaning: "O all people, eat what is lawful and good from what is on earth, and do not follow the steps of the devil; for indeed the devil is a real enemy to you." (QS. Al-Baqarah: 168)

Halal certification is one of the instruments that must be considered by the government so that Indonesia is able to compete in the halal industry regionally and globally. In addition, there are still pros and cons of halal certification between the government and the Research Institute for Food, Drugs and Cosmetics of the Indonesian Ulema Council (LPPOM MUI) causing the current halal certification process to not be optimal (Ab Talib & Hamid, 2014).

Halal certification authority in Indonesia is fully handled by LPPOM MUI but based on Law No. 33 2014 it will be handed over to BPJPH under the Ministry of Religion. The MUI halal logo is known worldwide and is recognized by various halal certification bodies. Products that include the halal label are the main choice of Muslims nationally and globally. Halal certificates have received recognition from 48 foreign certification bodies in 22 countries. Meanwhile, on February 8 2018, MUI has recognized Foreign Certification Bodies (CB) from 45 countries (BPJPH, 2022).

In addition to the empirical facts above, there are also studies that corroborate that in Indonesia in general and the regions in particular are still facing problems in the application of halal certification to the development of Culinary SMEs in terms of regulations, human resources, halal infrastructure, marketing, and Islamic finance. Research conducted by (Widiastuti, 2020) revealed that the factors causing the still difficult development of the halal industry in Indonesia are government policies that are less supportive, production and marketing that are not optimal, infrastructure is still limited, human resources are not yet competent. On the other hand research (Ashari, 2021) that food and beverage (culinary) producers in Indonesia are still having difficulties in implementing and developing halal logistics, due to the company's low commitment and inadequate infrastructure support. This is supported by research (Arsil,

Wicaksono, Handayani, & Novitasari, 2022) that what has an important role in the development of halal logistics is the synergy between institutions such as the government and SMEs.

Results of research (Ainulqulbi, 2017) It is known that the most influential variable in applying for halal certification is the halal certification procedure. The indicator that has the most significant effect on the certification procedure variable is the complexity of the process. Producers consider that fulfilling halal certification documents is quite complicated so that it becomes a consideration for producers to apply for halal certification. In addition, the total fee that must be paid by business actors wishing to certify products is Rp2,500,000 (two million five hundred thousand Rupiah). The amount of this fee is considered quite large and expensive. Meanwhile, on the other hand, Small and Medium Enterprises are businesses with limited and minimal capital ownership.

SMEs are very aware of the important role of halal certification and how halal certification will make them more competitive in the market, this is in line with research conducted by (Giyanti, Indrasari, Sutopoo, & Liquiddanu, 2019) that the implementation of halal certification or standards affects the operational performance of the company, in line with research of (Muflih & Juliana, 2021) the religiosity variable has a significant direct relationship to the buying behavior of food that has been labeled halal, so that the halal label becomes one of the roles in consumers' purchasing decisions. However, SMEs have the problem that to become a halal certified company the process is expensive and complicated. Even though the values of halal certificates in business have their own wider appeal, not only concerning matters of religion. In addition, it also contributes to the country's position as a halal tourism destination and a center for the global halal market targeted by the government (Nasution, 2020).

Furthermore, halal certification is a solution to help Indonesia become a country that implements the concept of halal life style in a kaffah way, assists several regulators in developing halal areas (ZONA KHAS) such as the pilot project that has been carried out by KNKES in the city of Bandung and is a solution to problems in the development Culinary Small and Medium Enterprises (UKM) actors, both Muslim and non-Muslim. With all the problems that occur, this solution needs to be developed by analyzing SWOT (Strength, Weakness, Opportunities and Threats) using the IFAS and EFAS matrices, namely factors from the internal and external environment of the halal certification

The author also uses the Analytical Hierarchy Process (AHP) analysis tool developed by Saaty to determine which aspects or indicators have the highest priority by calculating

subjective values from experts who are competent in their fields. Using the Analytic Hierarchy Process (AHP) method makes it possible to determine which aspects or indicators have the highest priority by calculating subjective values from experts. The AHP method has advantages over other decision-making methods, one of which is that AHP can make complex problems into a flexible model (Syafnidawaty, 2020), can combine qualitative and quantitative criteria (Sequeira and Adlemo, 2021), and the consistency of the results of the assessment of experts can be measured thereby reducing bias in research.

The research's novelty lies in combining two qualitative analysis approaches and connecting it with government policy regarding the development of halal certification strategies to improve SME performance.

RESEARCH METHOD

Research can be distinguished according to the method used in discovering the nature of the concept or element of knowledge (Ferdinand, 2014). The research method, also known as the scientific method, is a systematic procedure for acquiring scientific knowledge. The research method is a systematic approach to gathering knowledge (Suryana, 2010). Study utilizes qualitative research as its research method.

A qualitative approach is a research method that involves aspects such as trends, descriptive situational analysis, in-depth interviews, content analysis, snowballing, and storytelling throughout the research process, from proposal to data conclusions and report writing (Pujileksono, 2015).

This study utilized interviews and questionnaires to gather insights from 18 expert panelists on effective halal certification strategies for the advancement of Halal Culinary SMEs. The formulation of these strategies for Culinary SME development employed the IFAS and EFAS matrix approach. (David, 2017) and Process Analytical Hierarchy (AHP) (Mirad, 2012).

RESULT AND DISCUSSION

Based on the stages developed through the IFAS & EFAS and AHP approaches, the results and discussion can be presented or described as follows:

Evaluation of Internal Factors

Table 3. IFAS Factor Assessment

Internal Strategy Factors		Rating Value	Weight Value	x rating Weight	Mark
Strength /Strength (S)					2.136
1	The halal certification logo (new logo) is well known throughout the world	2,889	0.092	0.266	
2	Halal certification is mandatory for SMEs	4,333	0.106	0.459	
3	Establishment of the Halal Product Assurance Organizing Body (BPJPH)	4,278	0.106	0.453	
4	Business actors are required to include a halal logo on each of their products	4,611	0.110	0.507	
5	Has influence in increasing consumer interest	4,333	0.104	0.451	
Weaknesses/ Weakness (W)					1,705
1	The cost of issuing halal certification is relatively expensive	3,944	0.100	0.394	
2	Cooperation or collaboration between institutions/government has not been well established	3,500	0.102	0.357	
3	Fulfillment and filling of halal certification documents is quite complicated	3,722	0.093	0.346	
4	Halal certification process is not optimal	3,278	0.095	0.311	
5	Low socialization of the halal product certification process	3,222	0.092	0.296	
TOTAL					3,842

Source: Results of Data Processed (2022)

Evaluation of internal factors is seen from the value of the weight and the rating given by the respondents to each of the strengths and weaknesses factors. The results of the evaluation of internal factors can be seen in table 3. The results of the internal factor assessment, it was found that the total value of the weight and rate of the strength factor was 2.136 and the total value of the weight and rating of the weakness factor was 1.705 with a total IFAS score of 3.842.

Based on the results of the table 3, it can be seen that the highest influence on current conditions shows that business actors are required to include the halal logo on each of their products. This is indicated by the very high rating obtained at 4.611. This is in line with (Muflih & Juliana, 2021) that the religiosity variable has a significant direct relationship to the buying behavior of food that has been labeled halal, so that the halal label becomes one of the roles in

consumers' purchasing decisions. As for the lowest strength factor, Indonesia's new halal certification logo has been recognized throughout the world with a rating of 2,899. This means that it is still not well-known or known to many people regarding Indonesia's newest halal logo in 2022.

The highest degree of importance of the strength factor among other things, business actors are required to include a halal logo on each of their products with a value of 0.110. However, the strength factor that has the lowest degree of importance in the halal certification strategy in the development of Culinary SMEs, namely the Indonesian halal certification logo (new logo) is well known throughout the world with a valuerating of 0.092. This means that there are still many consumers or prospective buyers who are unfamiliar or don't recognize the new Indonesian halal logo which will be published in 2022.

Weaknesses that have the greatest negative influence include the cost of issuing halal certification which is relatively expensive rating sof 3.944. This means that during the current conditions there are still many Culinary SMEs that have not carried out the process of issuing halal certification due to cost constraints. Next is the weakness factor that hasratings most tolerable is the Low Socialization of the Halal Certification Process with a result of 3,222. This means that there are government efforts to introduce or socialize the process of issuing halal certification.

Then in the weakness factor that has a high degree of importance, namely cooperation or collaboration between government agencies that have not been well established at 0.102. This means that cooperation between institutions and the government is an important aspect to improve. Then, the weak factor that has a low degree of importance is the low socialization of the halal certification issuance process with a rating of 0.092. This means that currently there is still a low level of exposure regarding the material for the process of issuing halal certification for SMEs, or it can be said that there are still many SMEs that have not developed due to the socialization of the halal certification process which has not been fully distributed.

Evaluation of External Factors

Table 4. EFAS Factor Assessment

External Strategy Factors		Rating Value	Weight Value	x rating Weight	Mark
Opportunities/ Chance (O)					2,195
1	There is Law No.33 of 2014 concerning Guarantee of Halal Products (JPH)	4,389	0.106	0.465	
2	Consumer interest in choosing halal products	4,056	0.102	0.414	
3	Muslim consumers' trust in products that have halal certificates & logos	4,222	0.107	0.452	
4	The safety and quality of a product will be guaranteed	4,278	0.105	0.449	
5	Increasingly competitive product competition	4,111	0.101	0.415	
Threats/ Threat (T)					1,558
1	Some business actors are not ready to fulfill the obligation to be halal certified	3,333	0.095	0.317	
2	Lack of public awareness in carrying out halal certification	3,111	0.092	0.286	
3	The presumption is that all food/culinary products produced in majority countries are halal, so there is no need for a halal certification process	3,278	0.095	0.311	
4	Lack of public awareness of halal certification law	3,222	0.096	0.309	
5	Private/non-government certification bodies are sometimes not recognized by other countries	3,278	0.102	0.334	
TOTAL					3,753

Source: Result of Data Processed, (2022)

Based on table 4, the current condition that is the best in terms of external factors is Law No. 33 of 2014 concerning Halal Product Guarantee (JPH). This means that this shows that consumers or the public have started to know about law number 33 of 2014 concerning Halal Product Guarantee (JPH). Meanwhile, the worst condition in terms of opportunity factor is consumer interest in choosing halal products with a rating value of 4.056. This means that under current conditions there is still low consumer interest in choosing halal products, this is in line with research conducted by (Safira, Roihanah, Khasanah, & Mufidah, 2019) ss is the case with most Muslim-majority countries, sociologically in society there is an assumption that every

product produced by Muslims is halal so that there is no obligation or obligation for every product to have halal certification.

Furthermore, the opportunity that requires the most important handling urgency is Muslim consumer confidence in products that have halal certification and logos with a weight of 0.107. This means that guarantees for food and beverages are needed for Muslim consumers, as Muslim consumers are obliged to consume halal food and beverage products and can be ensured by halal certification. Then the urgency that does not really need important handling at this time in the opportunity category is product competition which is increasingly competitive with a weight of 0.101. This means that there are other factors besides halal certification that affect the development or purchasing decisions by consumers of halal products.

The threat factor that has the highest influence is that some business actors are not ready to fulfill their halal certification obligations with a rating of 3.333. This means that the influence of the highest threat to the halal certification strategy efforts in the development of culinary SMEs is currently the lack of readiness of business actors in the process of issuing halal certification with various factors such as costs that are too high (if the product has a high critical point) and consumer or producer assumptions that products in Indonesia are halal, so they do not need halal certification anymore. Furthermore, the threat factor that has the lowest influence is the lack of public awareness in issuing halal certification with a rating value of 3.111.

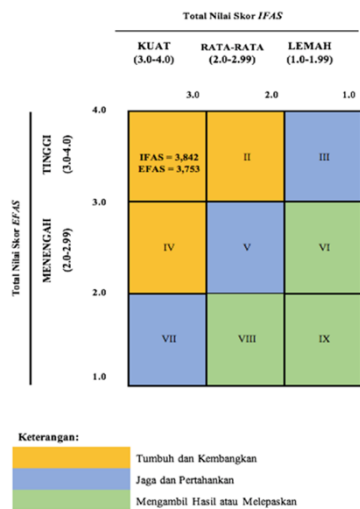
In the threat factor, which has the highest degree of importance, private/non-governmental certification bodies are sometimes not recognized by other countries with a weight value of 0.102. However, currently the Halal Guarantee Agency (LPH) has been recognized by the government so that things like rejection by the state are minimal. While the threat factor that has the lowest weight of 0.092 is the lack of public awareness in carrying out halal certification. This means that in this context the need for serious handling of these problems.

Internal and External Quadrant Position Matrix

After knowing that the value of the internal factor evaluation results (IFAS) is 3.635 and the external factor (EFAS) is 3.223. It can be seen in Figure 4.2 that this value is in quadrant I, namely, "Grow and Develop". This quadrant describes the condition of the halal certification strategy in the development of Culinary SMEs in the Greater Bandung Region which is currently in the growth stage and must continue to be developed. This shows that halal certification has very strong potential internally to continue to be optimized, especially to develop Culinary Small Enterprises (UKM) in the Greater Bandung Region.

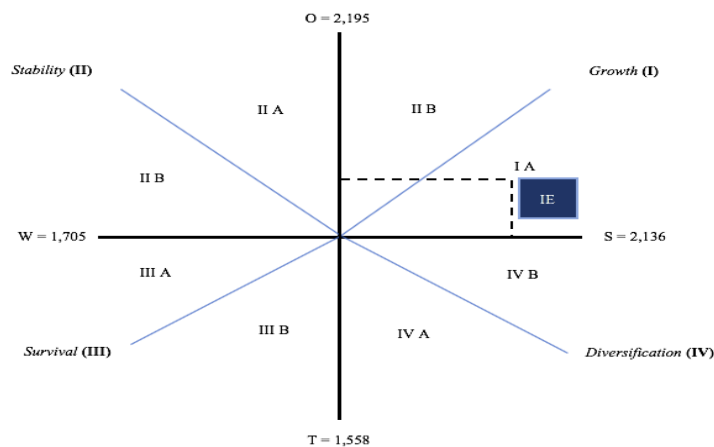
Furthermore, to determine the choice of alternative strategies after knowing the position of the IFAS and EFAS matrix quadrants, it is carried out in several stages. First, by making the X-axis and Y-axis intersection points, where the value of the X-axis is obtained from the difference in internal components, namely between total strengths and total weaknesses, while for the value of the Y-axis, it is obtained from the difference in external components between total opportunities.

Figure 2. IE Matrix Quadrant Position



Source: Data Processing Results (2022)

Figure 3. Position of Strategic Alternatives



Source: Data Result Processed (2022)

The next stage in determining the choice of strategy is by looking at the results of the score between opportunities and strengths, and it can be found that the results of the opportunity scores

are greater than strengths or $S < O$. This position indicates the position of the IA quadrant as shown in table 8:

So that the right alternative strategy to the halal certification strategy in the development of Culinary SMEs is in the IA Quadrant, which means increasing the growth rate by increasing quality which is a strength and taking advantage of existing opportunities. This study shows a total S value of 2.136 and W of 1.705 ($S > W$), O of 2.195 and T of 1.558 ($O > T$) explaining that the position of the halal certification agency is in the IA quadrant with the choice of the "Rapid Growth" strategy in which the value of $S > O$, thereby supporting the SO strategy. Based on the existing findings, a good alternative strategy to use in this problem is the SO strategy. This strategy is the result of the formulation of internal and external factor analysis as outlined in the SWOT matrix analysis (Rangkuti F., 2016).

Geometric Means Problem Aspect

a. Government Dimension

Based on Figure 4, it can be seen that the most problematic indicator in the government or regulatory dimension is the lack of implementation of Law (UU) No. 33 of 2014 concerning Halal Product Guarantee (JPH) obtaining a GmK value of 0.341. Furthermore, the second problematic indicator is the high cost of issuing halal regulations or certification with GmK 0.313. The indicators that are considered not problematic are low research or literacy related to halal certification or decisions with a GmK value of 0.297.

b. HR Dimension

Based on Figure 5, it can be seen that the most problematic indicator in the Human Resources (HR) dimension is the lack of limited implementation of the halal auditor and supervisor (PPH) obtaining a GmK value of 0.348. Furthermore, the second problematic indicator is the lack of training and outreach related to halal certification or determination with GmK 0.339. The indicator that is considered not problematic in this dimension is the low awareness of Culinary UKM actors in the process of applying for halal certification with a GmK value of 0.267.

c. Infrastructure Dimension

Based on Figure 6, it can be seen that the most problematic indicator in the Infrastructure dimension is the inefficiency of the Halal Value Chain (HVC) ecosystem with a GmK value of 0.531. Furthermore, the indicator that is considered not problematic in this

dimension is the level of complexity in the process of applying for halal certification with a GmK value of 0.425.

d. Marketing Dimension

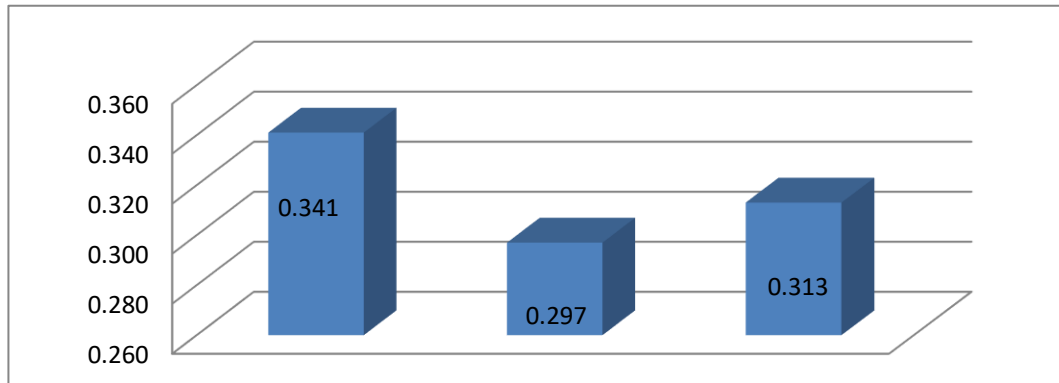
Based on Figure 7, it can be seen that the most problematic indicator in the Marketing dimension is that Halal Culinary SMEs lack innovation in developing their products by obtaining a GmK value of 0.339. Furthermore, the second problematic indicator is the absence of cooperation with other sectors, such as tourism and media and recreation with GmK 0.334. The indicator that is considered not problematic in this dimension is that the use of digital marketing is still not optimal with a GmK value of 0.267.

e. General Problem

Based on Figure 8, it can be seen that the most problematic dimension in general is infrastructure with a GmK value of 0.249. As is well known, infrastructure has a very significant influence on the development of Culinary SMEs in the Greater Bandung Region, due to the ease of access to information and the process of issuing halal certification will have a direct impact on UKM players, especially culinary. Furthermore, the facts on the ground, Culinary SMEs in the Greater Bandung Region said that the government's role as the regulator in the process of issuing halal certification must provide information/socialization and a clear mechanism for the process of issuing this halal certification.

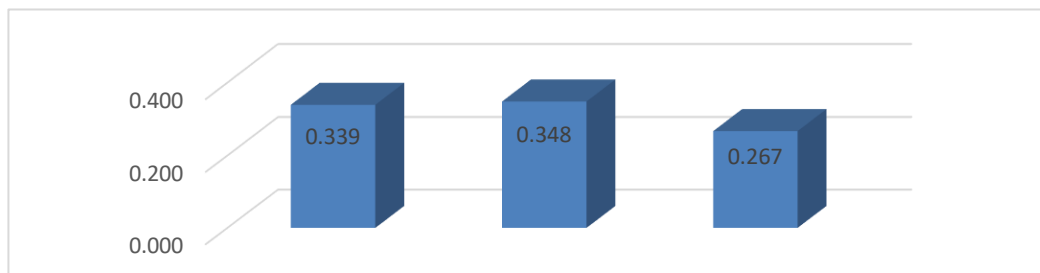
The dimension that is considered not problematic is the government or regulation dimension with a GmK value of 0.234. This means that the community or Culinary SMEs are aware of the implementation of the JPH Law No. 33 of 2014 and socialization related to the development or process of issuing halal certification. However, in practice culinary SMEs in the Greater Bandung Region do not know the maximum impact regarding the success of the halal certification program.

Figure 4. Geometric Mean Dimensions of Regulatory Aspects of the Problem



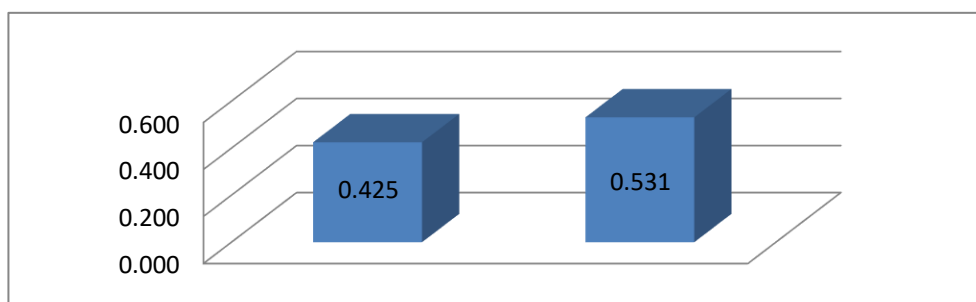
Source: Data Processing Results (2022)

Figure 5. Geometric Mean HR Dimensions Aspects of the Problem



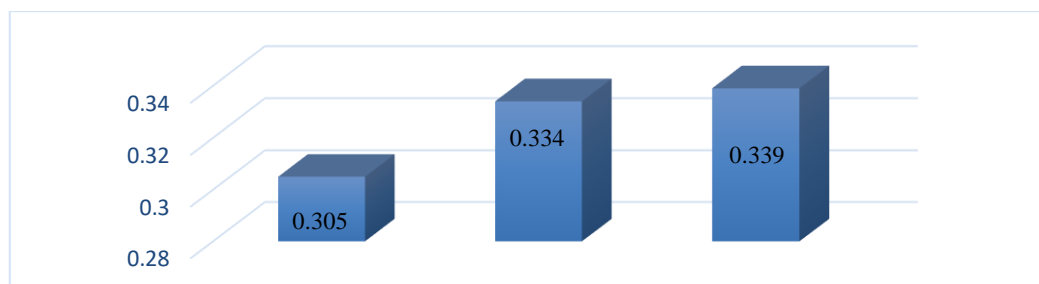
Source: Data Processing Results (2022)

Figure 6. Geometric Mean Infrastructure Dimensions Aspects of the Problem



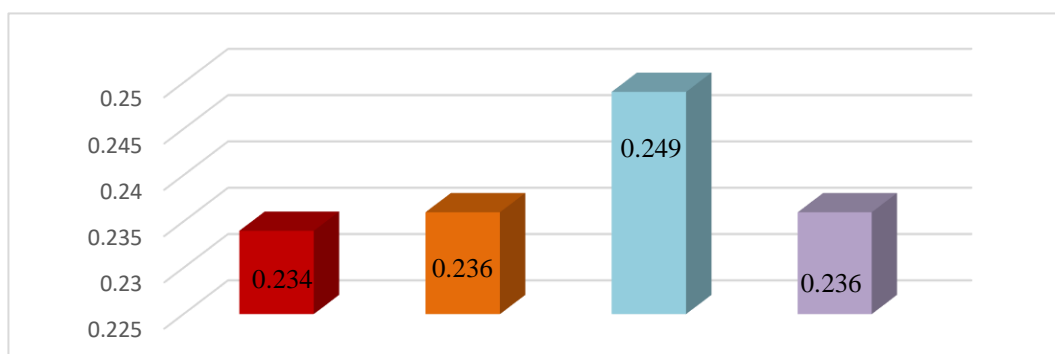
Source: Data Processing Results (2022)

Figure 7. Geometric Mean Marketing Dimensions Aspects of the Problem



Source: Data Processing Results (2022)

Figure 8. Geometric Mean Problems in General



Source: Data Processing Results (2022)

Geometric Means Solution Aspect

a. Government Dimension

Based on Figure 9, it can be seen from the three solutions that were chosen, or the solutions that were highly prioritized by expert judgment on the government dimension, were SMEs conducting research or literacy on halal certification or certification by obtaining a GmK value of 0.351. Then the second priority solution on the government dimension is to provide free facilitation assistance for halal certification by promoting a self-declare program with GmK 0.308. Then the last priority solution is to fully implement Law No. 33 of 2014 concerning Guaranteed Halal Products (JPH) with a GmK value of 0.304.

b. HR Dimension

Based on Figure 10, it can be seen from the three solutions chosen, or the solutions that are highly prioritized by expert judgment on the Human Resources (HR) dimension, are

conducting training and outreach related to halal certification or determination by obtaining a GmK value of 0.341. Then the second priority solution on the HR dimension is to increase awareness or literacy of Culinary SMEs in the process of applying for halal certification with GmK 0.339. Then the last priority solution is to recruit or efficiently professional halal auditors and supervisors (PPH) with a GmK value of 0.304.

c. Infrastructure Dimension

Based on Figure 11, it can be seen from the three selected solutions, or the solutions that are highly prioritized by expert judgment on the Infrastructure dimension, are providing or facilitating the process of applying for halal certification for SMEs by obtaining a GmK value of 0.531. Then the second priority solution is to strengthen the halal value chain ecosystem with a GmK value of 0.453.

d. Marketing Dimension

Based on Figure 12, it can be seen from the three selected solutions, or solutions that are highly prioritized by expert judgment on the marketing dimension, that halal culinary SMEs collaborate with other sectors such as tourism (co-branding) and the media and recreation sector (co-marketing). by obtaining a GmK value of 0.341. Then the second priority solution in the marketing dimension is that halal culinary SMEs innovate in products as well as in marketing them with GmK 0.335. Then the last priority solution is optimizing digital marketing in marketing halal food and beverage industry products with a GmK value of 0.303.

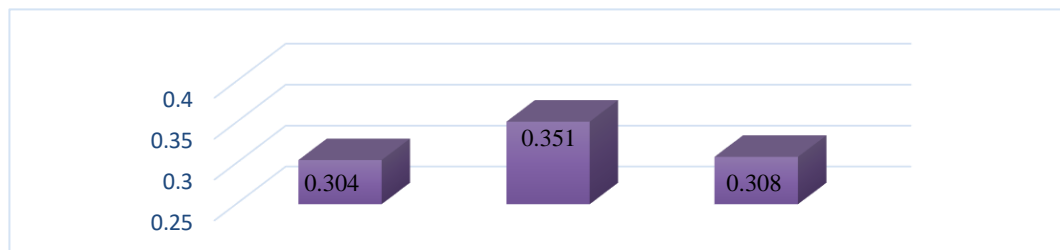
e. Overall Solution Aspect

Based on Figure 13 it can be seen that the most prioritized solution dimension in general is infrastructure with a GmK value of 0.252. As the government knows through Law No. 33 of 2014 concerning JPH, With the issuance of this JPH Law all food and beverage products circulating in Indonesia must have halal certification without exception, even for SMEs that have not carried out the halal certification process, they will be fined (Interview with Ms. Dina Sudjana as Daily Chairperson of LPH Salman ITB on 20 October 2022). The implementation of JPH itself is carried out by BPJPH under the Minister of Religion. So indirectly the government has designed and developed infrastructure related to the process of issuing halal certification and developing the Halal Value Chain (HVC).

Then the obligation to apply the HVC or halal supply chain itself is actually contained in law no. 33 of 2014 concerning Halal Product Guarantee (JPH). It has been stated that the halal product process is a series of activities to ensure the halal product includes the provision of materials, processing, storage, packaging, distribution, sales and presentation of a product. product(Rokan, 2016).

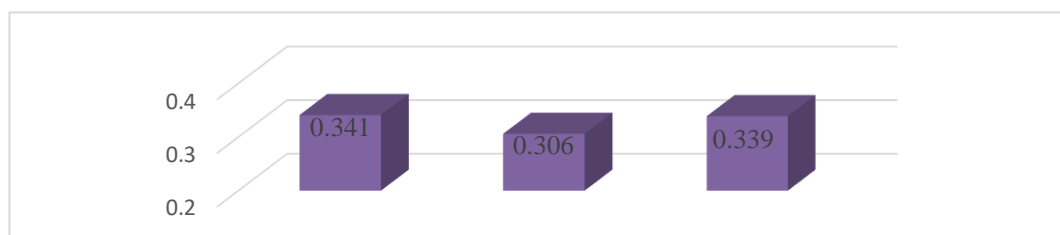
The dimension that is considered less prioritized is the solution aspect of the government dimension with a GmK value of 0.235. That in the context of implementing the JPH Law No. 33 of 2014, the community is starting to feel the impact. Where in 2022 the government will begin to aggressively launch the SEHATI (Free Halal Certificate) program, recruit halal supervisors, assist and socialize the process of issuing halal certification to the Halal Value Chain (HVC).

Figure 9. Geometric Mean Dimensions of Government Aspects of Solutions



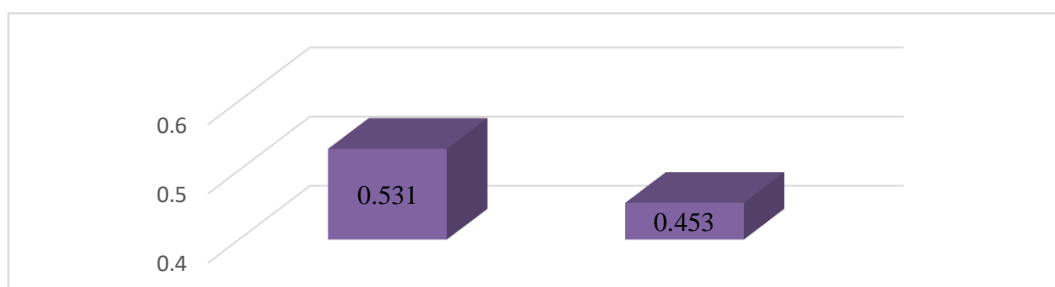
Source: Data Processing Results (2022)

Figure 10. Geometric Mean HR Dimension Solution Aspect



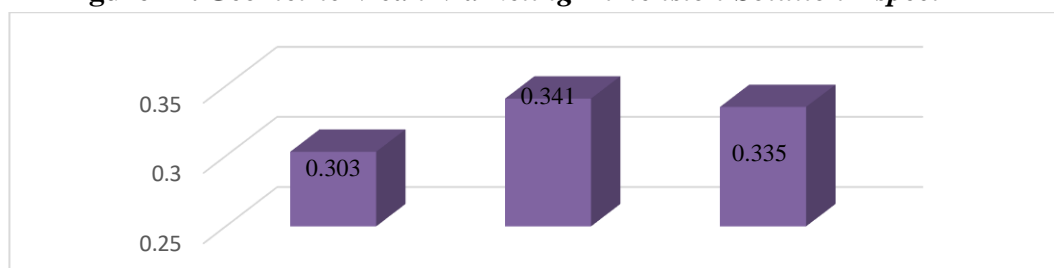
Source: Data Processing Results (2022)

Figure 11. Geometric Mean Infrastructure Dimension Aspect Solutions



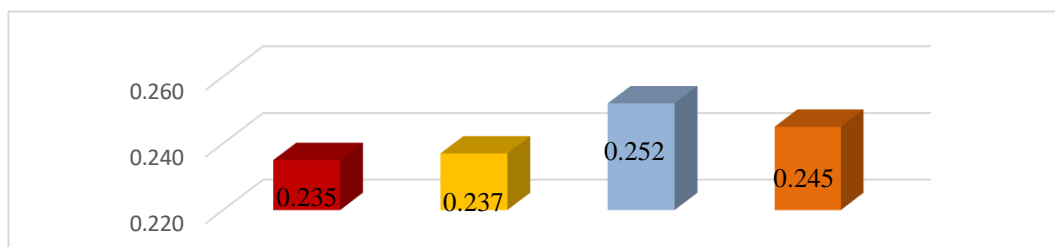
Source: Data Processing Results (2022)

Figure 12. Geometric Mean Marketing Dimension Solution Aspect



Source: Data Processing Results (2022)

Figure 13. General Geometric Mean Solutions



Source: Data Processing Results (2022)

CONCLUSION

The number of SMEs with halal certification in Bandung is relatively low compared to the overall number of food and culinary industries registered with the Bandung City Cooperatives and SMEs Office. SMEs face obstacles in obtaining halal certification due to the high cost and the belief that certification does not significantly differ from non-certified products. To address this issue, in 2022, the Ministry of Religion and the Halal Study Center have facilitated the issuance of 2,014 halal certifications through various methods, including the use of social media for socialization purposes.

The government aims to make Indonesia a global center for halal logistics, and the obligation of the halal supply chain is established in law no. 33 Year 2014. High-Value Chain

(HVC) emphasizes the life cycle of raw materials, production, and distribution, enabling companies to enhance competitiveness through product customization, quality, cost reduction, and speed to market.

Recommendations include a proactive role for the government in developing Culinary SMEs, raising awareness of halal opportunities, innovation, and gaining insights into the halal industry. Evaluation of internal and external strategies is also suggested for halal certification institutions to optimize the process and support the development of Culinary SMEs.

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