

GREEN HALAL PRODUCTS: FAMILY SME'S OPPORTUNITY

Tine YULIANTINI¹, Mochamad SOELTON^{2*}, Erna Sofriana IMANINGSIH³, Subur KARYATUN⁴, Anees

Janee ALI⁵, and Paijan PAIJAN⁶

^{1,2,3,6}*Universitas Mercu Buana - Indonesia*

⁴*Universitas Nasional - Indonesia*

⁵*Universiti Sains Malaysia (SOM) - Malaysia*

**soeltan@mercubuana.ac.id*

ABSTRACT

With problems that threaten damage to ecosystems and the environment, people are expected to consume sustainable consumption that is not harmful to the environment. The government also seeks to support environmental rescue programs by establishing Government Regulation of the Republic of Indonesia Number 46 of 2017 on Environmental Economic Instruments, which encourages ministries / institutions / work units of regional devices or institutions to use environmentally friendly goods and services. This public community service wants to conduct research on green products and the purchasing decisions of young consumers in Indonesia because there has not been so much research on the influence of green products on purchasing decisions in the young consumer segment. Therefore, the purpose of this study is to find out whether there is an influence between green products that have been created by the company on the decision to buy green products in young consumers in the world. Indonesia currently occupies the second position in the world as a country that dumps plastic waste into the South China Sea. This raises various problems such as damage to ecosystems and the environment that raise a level of public awareness about the threat of health problems and survival problems.

Keywords: green halal product management, health hazard, green campaign, SME's

1. BACKGROUND

Increasing public awareness of the importance of consuming and using halal products increasingly makes the public selective in choosing products to be consumed and this is a challenge that must be responded to by the government and business actors in Indonesia. The existence of halal labeling in food products, cosmetics and drugs will make it easier for consumers to identify a product so that even without deep knowledge of additional ingredients in the product that allow the use of haram ingredients, people will feel safe when consuming a product that has been labeled halal. In addition, the halal label on a product can protect entrepreneurs from the demands of the community in the future, and can also strengthen and improve the product image.

To provide legal certainty and protect the rights of Muslim consumers who are the main and largest consumers of this dinegeri, the existence of halal product guarantee law is very important and fundamental. For this reason, ijma Ulama asked the government and dpr-ri to immediately complete the discussion of the bill and pass it into law. The desire of the people to consume halal food and thoyyib is a cultivated belief in the life of the Muslim community. These symptoms have been felt by many processed food manufacturers in Indonesia. They realize that halal and thoyyib processed food products have their own advantages, both in terms of safety and market potential. This indication of awareness is evidenced by the number of processed food producers who apply for halal certification to LPPOM MUI (Institute of Food, Medicine and Cosmetic Assessment of the Indonesian Ulema Council) to obtain halal labeling, as well as for export reasons. According to LPPOM-MUI, of the 1,209,172 food products circulating in the market, only 874 products have halal certificates or only about 0.070 percent. Not much different from food data, PERKOMSI (Indonesian Cosmetic Companies Association) data from 744 cosmetic companies in Indonesia, only about 3 percent have halal certificates from LPPOM-MUI (Fetra, 2011). With the halal label, Muslim consumers can ensure which products they can consume, namely products that have and include halal labels on their packaging. In this case there is in article 2 of the MUI fatwa which reads "the manufacturer must include the inscription "halal" on the label / food labeling of the product responsible for the food for muslims".

Indonesia is one of the countries that has the largest Muslim majority in the world. A total of 87.18% of Indonesia's 237,641,326 people are adherents of Islam (population census, 2012). As the fact that the majority of Indonesia's population is Muslim, islam is very influential on the culture that develops. Including the pattern of consumerization among Indonesian people is strongly influenced by the religion of Islam. The pattern of consumerization encompasses many things. One of them is the pattern of public consumption of foodstuffs. The phenomenon that occurs related to this is that people understand the importance of consumption of halal products, but do not have an accurate basis to be used as a reference for the page of a product. Most people trust halal products only from the seller's speech or halal logo made by food products companies (Setyorini, 2013).

Consumers are now treated to a large selection of products, one of which is packaged food products. A number of steps can be taken by consumers when considering consuming a product in packaging. For example, by paying attention to the label of packaged products. This is to ensure the feasibility of the product and its idolatry status (Fetra, 2011). In this day and age people in consuming food products pay more attention to the expiration date than the halal label. The condition of ordinary Indonesian people about halal and haram products, most people behave foolishly in consuming various products on the market. Moreover, socialization about halal labeled products is still very lacking. This means that only some people are aware of the importance of the halal label that will find out the status of the product it consumes (Aprizawarman, 2014). Label is a means of conveying information about the products listed on the packaging. While the page is as the main parameter in the product selection process. The provisions make limitations on a product to enter the Muslim umut market. Ensuring the food consumed halal becomes a responsibility for every Muslim.

To make it easier to know the products consumed halal in the packaging can be seen from the halal label listed on the product packaging. Labels on products, especially food products, are very important to note (Aprizawarman, 2014). A food is said to be halal if based on its nature and how to obtain it. Determining the page is not only in consuming food and beverages, but health products and cosmetics as well. Analyzing idolatry has its own complexity, starting from the initial manufacturing process, the materials used in the manufacture to the end of the product, after which it is only inaugurated as halal or haram products. The issue of halal and haram a product is a serious problem for the majority Muslim people of Indonesia, because it concerns the issue of faith and community trust. It is natural that in Indonesia cases of product idolatry can cause a strong and sensitive reaction for this predominantly Muslim country.

As a result, many people are treated by various types of products in the market, especially products in packaging both food products, cosmetics and medicines. Approximately 60% of products on the market already have halal labels. Do people pay attention to the halal label in consuming a product. How much the community responds to products labeled halal. Therefore, this research is considered important because there are still many products that do not have halal label certification. In order to obtain clearer information and accompanied by scientific evidence about factors that affect Muslim communities in using products labeled halal, it is necessary to conduct a scientific study. The author provides a limit that the product in question is all products produced using packaging and includes halal labels on the packaging.

2. METHOD

Goals of Targets

The target in this activity to share a socialization of halal and green product management to participant and the implementation method used in this activity is in the form of training. The participants were invited to come in online meeting.

Purpose of Activities

This activity aims to provide knowledge to participants in saving money in the long term, although the initial production costs are generally higher, helping participants market their products with new market access, namely Muslim and non-Muslim consumers who will feel safe because the products used are halal as well as consumers. with environmental awareness who buy products with high quality and commitment to protect the environment. increase participants' pride and confidence in their industry's responsibility to the environment.

Benefits of Activities

- a. Participants know their markets
- b. Improve the ride and confidence of participants for their industry's

Flow Chart Explanation

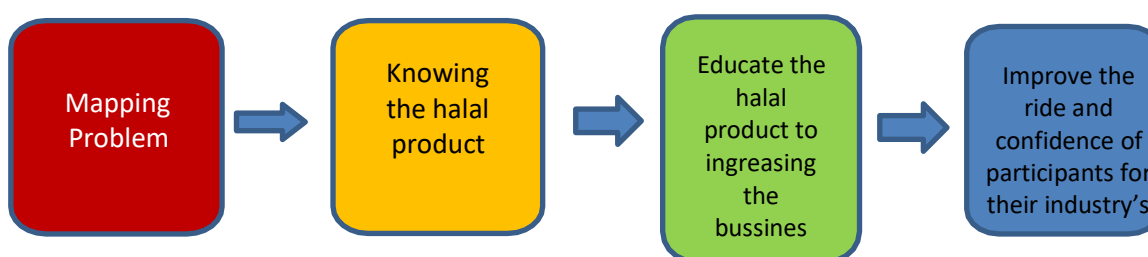


Figure 1. Flowchart

Implementation Method

Socialization about halal products is a learning approach method that focuses on a product that is produced in the form of food, drink or cosmetics, which is included in the criteria for products that are halal certified and safe for use by people who embrace Islam. Understand and be aware of what a halal product is. For this reason, socialisation is delivered through management science, products and literacy about halal products with activities in the form of group discussions.

Target Audience

Socialization of halal and green product application among the micro business owner who are members of canteen around the Mercu Buana campus and students who already have a start-up business in West Jakarta.

Activity Evaluation

Evaluation of this joint community activity is carried out at the end of the event and opening the discussed session. Furthermore, coaching will be carried out periodically every 3 months in a general meeting.

3. RESULT AND DISCUSSION

Activity Results

This activity is part of Mercu Buana University's Community Service Program, which necessitates a link between the Community Service Institution and the improvement of human resources, particularly in the Jakarta area. The community setting in West Jakarta, with participants are the micro business owner who are members of canteen around the Mercu Buana campus and students who already have a start-up business. The target of counseling activities and help for understanding halal and green product. We carry out various steps of explanation utilizing a basic language model that can be understood directly by the community, as we do with the extension process in general. The online registration process for this activity begins with the participant's participation in a Zoom Meeting.

Delivery of Training Materials

First, the team conducted a feasibility survey of the service location, licensing coordination for the implementation of activities, and a good response from locals for the implementation of activities at the start of the implementation of community service activities. The goal of this first step is to give convenience in terms of exposure to the target audience and surroundings, as well as technical assistance if necessary. On Thursday, February 24th, 2022, a community gathering was convened. Mercu Buana University's Faculty of Economics and Business cooperated with Universiti Sains Malaysia's School of Management on a community service initiative. The first presentation, titled "Green Human Resource Management" was given Assoc. Prof. Dr. Anees Janee Ali from Universiti Sains Malaysia led this activity, and my team gave a presentation titled Mental Strengthening And The Right Strategy In Entrepreneurship In The Development Of Green Halal Product Management. This activity was done to give an overview before team discussed the desired exposure to ensure that everything ran smoothly and that the knowledge sharing process was well received by the community.

Discussion

The socialization process continued with active interaction with participants in the form of questions and answers and discussions where this interaction was important to build a focused professional attitude of the community, which could later be used to describe the importance of Extension Assistance in the management of green and green products. The team paid attention to the differences in people's education levels and tried to explain them in simple language while at the same time trying to create emotional intimacy so that the process of delivering material was conveyed. This condition must be anticipated by providing a kind of counselling with a higher percentage of practice by showing a harmonious implementation during lectures. SME members must also understand the value and use of the importance of halal labels and use environmentally friendly product materials.

4. CONCLUSION AND SUGGESTION

Conclusion

The UMB community service program which was held in Jakarta, West Jakarta on February 24'th 2022 has been carried out well and successfully. The event was attended by 80 participants. The event was held attractively and communicatively. According to participants, this program is very useful because the material provided can add insight and is also useful for improving their business performance. The material is also presented in simple sentences so that

it is easy to understand. The material discussed by the speakers was how to manage environmentally friendly halal and green products. The benefit of this training is to increase sales of business products.

Recommendation

Continuous training activities are needed so that mentoring can run more optimally. Assistance activities are needed for participants who can take advantage of the routine schedule of community activities in the SMEs.



Figure 2. Activities Documentation (1)



Figure 3. Activities Documentation (2)



Figure 4. Activities Documentation (3)

REFERENCES

- Arijanto, A., Permana, D., Perkasa, D., Soelton, M. (2018). *Perilaku Organisasi*. Penerbit Halaman Moeka. Jakarta. Edisi 1.
- Arief, H., Soelton, M., Saratian, E., Tafiprios, T., Puspaningrum, A., & Mugiono, M. (2021). Implementation of Entrepreneurship Education Online-Learning Program to Create Farmer Entrepreneurs Through Urban Farming. *ICCD*, 3(1), 102-106.
- Anggraeni, B. & Harnanik. (2015). Pengaruh Pengetahuan Kewirausahaan dan Lingkungan Keluarga Terhadap Minat Berwirausaha Siswa Kelas XI SMK Islam Nusantara Comal Kabupaten Pematang. *Jurnal Pendidikan Ekonomi Dinamika Pendidikan*, X(1), 42-52.
- Bateman, Thomas S., Snell, Scott A. & Konopaske, Rob. (2017). *Management: Leading & Collaborating in a Competitive World*. Twelfth Edition. McGraw-Hill Education. New York.
- Dewan Syariah Nasional, Majelis Ulama Indonesia. 2016. Fatwa No.108 tentang Pedoman Penyelenggaraan Pariwisata Berdasarkan Prinsip Syariah.
- Falikhatus, Anis Wijayanto, dan Sri Hanggana. (2017). Peningkatan Kinerja Keuangan Badan Usaha Milik Desa (Bumdes) Dengan Mengembangkan Wisata Desa Berbasis Syariah.
- Griffin. Ricky W. & Ebert. Ronald J. (2006). *Business*. Eighth Edition. Prentice Hall. New Jersey.
- Kasmir. (2016). *Kewirausahaan*. Edisi Revisi. Raja Grafindo Persada. Jakarta.
- Karia, N., & Asaari, M. H. A. H. (2016). Halal business and sustainability: strategies resources and capabilities of halal third-party logistics (3PLs). *Progress in Industrial Ecology, an International Journal*, 10(2-3), 286-300.
- Laporan Penelitian PNBPN UNS. Ikatan Akuntan Indonesia. 2010. Standar Akuntansi Keuangan Entitas Tanpa Akuntabilitas Publik (SAK ETAP), Penerbit: IAI, Jakarta.
- Ramli, Y., Asih, D., Soelton, M. (2020). Green Marketing That Influence Customer Purchase Decision Based On Their Behavior And Attitude. *Jurnal Doktor Manajemen (JDM)*, 3(1), 14-27.
- Robbins, Stephen P. & Coulter, Mary. (2014). *Management*. Twelfth Edition. Pearson Education Limited. England.
- Ramli, Y., Harwani, Y., Soelton, M., Hariani, S., Usman, F., Rohman, F. (2021). The Implication of Trust that Influences Customers' Intention to Use Mobile Banking. *Journal of Asian Finance, Economics, and Business*, 8(1), 353-361.
- Ramli, Y., Permana, D., Soelton, M., Hariani, S., Yanuar, T. (2020). The Implication of Green Marketing that Influences the Customer Awareness towards their Purchase Decision. *MIX Jurnal Ilmiah Manajemen*, 10(3).
- Uno, S.S., Supratikno, H., Ugut, G.S.S., Bernarto, I., Antonio, F. and Hasbullah, Y. (2020). The effects of entrepreneurial values and entrepreneurial orientation, with environmental dynamism and resource availability as moderating variables, on the financial performance and its impacts on firms' future intention: Empirical pieces of evidence from Indonesian state-owned enterprises. *Management Science Letters*, 10(15), 3693-3700.
- Schermerhorn Jr., John R. & Bachrach, Daniel G. (2015). *Introduction to Management*. Thirteenth Edition. John Wiley & Sons. Singapore.
- Schaltegger, S., & Wagner, M. (Eds.). (2017). *Managing the business case for sustainability: The integration of social, environmental and economic performance*. Routledge.
- Soelton, M., Ramli, Y., Wahyono, T., Saratian, E.T.P., Oktaviar, C., Mujadid, M. (2021). The Impact of Impulse Buying on Retail Markets in Indonesia. *Journal of Asian Finance, Economics and Business*, 8(3), 0575-0584.

- Soelton, M., Rohman, F., Asih, D., Saratian, E.T.P., Wiguna, S.B. (2020). Green Marketing that effect the Buying Intention Healthcare Products. *European Journal of Business and Management*, 12(15).
- Sudaryono. (2015). *Studi Kelayakan Bisnis: Teori, Analisa, dan Teknik Penyusunan Proposal*. Lentera Ilmu Cendekia. Jakarta.
- Suharyadi, Nugroho, A., Purwanto, S.K., Faturrohman, M. (2011). *Kewirausahaan: Membangun Usaha Sukses Sejak Usia Muda*. Universitas Mercu Buana, Salemba Empat, Jakarta.
- Zamani-Farahani, H., & Henderson, J. C. (2010). Islamic tourism and managing tourism development in Islamic societies: The cases of Iran and Saudi Arabia. *The International Journal of Tourism Research*, 12(1), 79.
- Widagdyo, Kurniawan Gilang. (2015). Analisis Pasar Pariwisata Halal di Indonesia. *The Journal of Tauhidinomics*, 1(1), 73-80.
- Wulandari, Resti P. Wagimin, Ign. & Susilowati, Tutik. (2013). *Pengaruh Pembelajaran Kewirausahaan dan Lingkungan Keluarga Terhadap Minat Berwirausaha*. Universitas Sebelas Maret, Surakarta.