


THE INFLUENCE OF VARIOUS FACTORS ON MSME HALAL CERTIFICATION BEHAVIOR: AN ANALYSIS WITH INTENTION AS AN INTERVENING VARIABLE

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ARTICLE INFO	ABSTRACT
<p>Article history:</p> <p>Received 05 June 2023</p> <p>Accepted 29 August 2023</p>	<p>Purpose: This research aims to conduct a comprehensive systematic literature review analyzing the impact of Self Declare on the Ease of Obtaining Halal Certification for Indonesian MSME.</p>
<p>Keywords:</p> <p>Self Declare; Halal Certification; MSME.</p>	<p>Theoretical framework: In recent years, the concept of Self Declare has emerged as a potential approach to ease the process of obtaining halal certification for MSMEs. Self Declare allows MSMEs to declare their products as halal based on their own understanding and compliance with halal requirements, reducing the bureaucratic burden and cost associated with traditional certification processes. However, the impact of Self Declare on the ease of obtaining halal certification and its implications for the halal industry in Indonesia require further investigation.</p>
	<p>Design/methodology/approach: The study employs a quantitative research approach using the SEM-PLS method and the SmartPLS 3.0 software. The respondents of this study consist of MSME owners in Malang City .</p>
	<p>Findings: The findings reveal that halal awareness, halal literacy, perceptions of regulations, and halal certification behavioral intentions have a partial impact on the behavior of obtaining halal certification among MSMEs. Furthermore, the intention to obtain halal certification mediates the relationship between halal awareness, halal literacy, and the behavior of obtaining halal certification among MSMEs. However, the intention to obtain halal certification does not moderate the relationship between halal literacy and the behavior of obtaining halal certification among MSMEs.</p>
	<p>Research, Practical & Social implications: This research provides valuable insights for researchers, policymakers, and practitioners in the halal industry. The findings contribute to the existing knowledge on halal certification in MSME, while the practical and social implications offer actionable recommendations to enhance the ease of obtaining halal certification and promote the growth of the halal industry in Indonesia.</p>
	<p>Originality/value: The originality and value of this research stem from its focus on Self Declare, comprehensive analysis, contextual relevance, exploration of mediating mechanisms, and practical implications. These aspects contribute to the advancement of knowledge in the field of halal certification in MSME and provide actionable insights for stakeholders in the industry.</p>
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A INFLUÊNCIA DE VÁRIOS FATORES NO COMPORTAMENTO DE CERTIFICAÇÃO MSME HALAL: UMA ANÁLISE COM INTENÇÃO COMO UMA VARIÁVEL INTERVENIENTE

RESUMO

Propósito: Esta pesquisa tem como objetivo realizar uma revisão sistemática abrangente da literatura analisando o impacto da autodeclaração sobre a facilidade de obter a certificação Halal para o MSME indonésio.

Estrutura teórica: Nos últimos anos, o conceito de autodeclaração emergiu como uma abordagem potencial para facilitar o processo de obtenção de certificação halal para MPMEs. A autodeclaração permite que as MPME declarem seus produtos como halal com base em sua própria compreensão e conformidade com os requisitos halal, reduzindo a carga burocrática e os custos associados aos processos de certificação tradicionais. No entanto, o impacto da autodeclaração sobre a facilidade de obter a certificação halal e suas implicações para a indústria halal na Indonésia exigem investigação adicional.

Projeto/metodologia/abordagem: O estudo emprega uma abordagem de pesquisa quantitativa usando o método SEM-PLS e o software SmartPLS 3.0. Os participantes deste estudo são proprietários de MSME na cidade de Malang.

Descobertas: As descobertas revelam que a consciência halal, a alfabetização halal, percepções de regulamentos e intenções comportamentais de certificação halal têm um impacto parcial no comportamento de obtenção de certificação halal entre as MSMEs. Além disso, a intenção de obter a certificação halal medeia a relação entre a consciência halal, a alfabetização halal, e o comportamento de obter a certificação halal entre MPMEs. No entanto, a intenção de obter a certificação halal não modera a relação entre a alfabetização halal e o comportamento de obter a certificação halal entre MPMEs.

Pesquisa, implicações práticas e sociais: Esta pesquisa fornece informações valiosas para pesquisadores, formuladores de políticas e profissionais da indústria halal. As descobertas contribuem para o conhecimento existente sobre a certificação halal em MSME, enquanto as implicações práticas e sociais oferecem recomendações viáveis para aumentar a facilidade de obter a certificação halal e promover o crescimento da indústria halal na Indonésia.

Originalidade/valor: A originalidade e o valor desta pesquisa provêm de seu foco em AutoDeclaração, análise abrangente, relevância contextual, exploração de mecanismos mediadores e implicações práticas. Estes aspectos contribuem para o avanço do conhecimento no campo da certificação halal em MSME e fornecem insights acionáveis para as partes interessadas na indústria.

Palavras-chave: Auto Declarar, Certificação Halal, MPME.

LA INFLUENCIA DE DIVERSOS FACTORES EN EL COMPORTAMIENTO DE LA CERTIFICACIÓN HALAL DE LAS MIPYMES: UN ANÁLISIS CON INTENCIÓN COMO VARIABLE INTERVENTORA

RESUMEN

Propósito: Esta investigación tiene como objetivo realizar una revisión sistemática de la literatura que analiza el impacto de la declaración de sí mismo en la facilidad de obtener la certificación halal para las mipymes indonesias.

Marco teórico: En los últimos años, el concepto de Autodeclaración ha surgido como un enfoque potencial para facilitar el proceso de obtención de la certificación halal para las Mipymes. Self Declare permite a las MIPYMES declarar sus productos como halal basándose en su propio entendimiento y cumplimiento de los requisitos halal, reduciendo la carga burocrática y el costo asociado con los procesos de certificación tradicionales. Sin embargo, el impacto de Self Declare en la facilidad de obtener la certificación halal y sus implicaciones para la industria halal en Indonesia requieren mayor investigación.

Diseño/metodología/enfoque: El estudio emplea un enfoque de investigación cuantitativa utilizando el método SEM-PLS y el software SmartPLS 3.0. Los encuestados de este estudio son propietarios de mipymes en la ciudad de Malang.

Resultados: Los hallazgos revelan que la conciencia halal, la alfabetización halal, las percepciones de las regulaciones y las intenciones conductuales de certificación halal tienen un impacto parcial en el comportamiento de las MIPYME para obtener la certificación halal. Además, la intención de obtener la certificación halal media la relación entre la conciencia halal, la alfabetización halal y el comportamiento de las mipymes para obtener la certificación halal. Sin embargo, la intención de obtener la certificación halal no modera la relación entre la alfabetización halal y el comportamiento de obtención de la certificación halal entre las Mipymes.

Investigación, implicaciones prácticas y sociales: Esta investigación proporciona información valiosa para los investigadores, responsables de políticas y profesionales de la industria halal. Los hallazgos contribuyen al conocimiento existente sobre la certificación halal en las Mipymes, mientras que las implicaciones prácticas y

sociales ofrecen recomendaciones prácticas para mejorar la facilidad de obtener la certificación halal y promover el crecimiento de la industria halal en Indonesia.

Originalidad/valor: La originalidad y el valor de esta investigación derivan de su enfoque en la Autodeclaración, el análisis integral, la relevancia contextual, la exploración de mecanismos de mediación y las implicaciones prácticas. Estos aspectos contribuyen al avance de los conocimientos en el campo de la certificación halal en las MIPYME y proporcionan información procesable para las partes interesadas en la industria.

Palabras clave: Autordeclaración, Certificación Halal, MIPYME.

INTRODUCTION

Global awareness of halal products in Indonesia has become increasingly significant. This is due to Indonesia's potential to become the largest Islamic economy worldwide. Consumer behavior towards halal products, including non-Muslims' preference for halal products, serves as a crucial indicator of this global awareness. Additionally, consumers prioritize the taste of food they purchase, although they also consider its halal status. The focus on Halal Ecosystem Literacy in Indonesia extends beyond food, encompassing Islamic Finance and Halal Literacy to ensure the circulation of halal products (Mutmainah et al., 2022).

The food and beverage sector falls within the domain of the Ministry of Tourism and Creative Economy as a subsector of the creative economy. The creative economy is characterized by the Halal Certification chain and the integration of intellectual property. To foster an innovation-based ecosystem, the central and local governments should assume an enhanced role (Santoso, 2020). The Ministry of Cooperatives and Micro, Small, and Medium Enterprises (MSME) emphasized the need for relaxation in certification licensing, particularly for halal certification, to support the development of Halal Product Guarantee (JPH) at the MSME level (Zulianti & Aslam, 2022). Currently, only medium and large businesses can afford halal certification costs, which range from IDR 2.5 million to IDR 5 million per product type. The facilitation of halal certification for MSME is an integral part of the discussion on MSME ease and protection, as well as the ease of doing business under the Omnibus Law (2020). Within the conventional culinary subsector, business processes require reorganization pertaining to raw materials, packaging, and product certification (Santoso et al., 2021).

The halal food industry is essential for Muslims worldwide as it ensures compliance with Sharia requirements in their daily food consumption (Hasri et al., 2016). The certification process involves rigorous assessments conducted by competent auditors to determine the halal status of products, followed by the issuance of written fatwas certifying their halalness (Faridah, 2019). Halal certificates provide a sense of security and comfort for Muslim consumers, assuring them that the food and drinks available in Indonesia are halal-compliant (Santoso et

al., 2021). Furthermore, these certificates also serve as labels for non-Muslims, indicating that the food and beverage products have been tested and contain safe and permissible ingredients for consumption (Santoso et al., 2021).

Halal certification serves as a crucial strategy to ensure public safety and comfort for both producers and consumers, while also creating clear business opportunities (Suryowati & Nurhasanah, 2020). However, due to technological advancements and increasing economic demands, there is a potential risk of the halal status of products being altered during various processes, potentially transforming them from halal to non-halal (Wahyuni et al., 2020).

Previous studies have demonstrated that the implementation of halal certification has positive effects on MSME. Agustina et al. (2019) conducted a study in Malang Regency and found that halal certification can increase the productivity and competitiveness of MSME, leading to positive multiplier effects within their surrounding environments. Similarly, Akim et al. (2019) conducted a survey in Jatinangor and discovered that the presence of halal certificates on products can enhance consumer interest, resulting in increased sales and profits for MSME.

Micro, small, and medium enterprises (MSMEs) play a crucial role in Indonesia's economic landscape. However, the popularity of their halal-certified products still lags behind that of larger multinational companies. With the significant growth of the halal market, it becomes imperative to gain a deeper understanding of how Muslim consumers perceive products from a religious perspective.

The successful implementation of halal product certification is closely linked to the protection of Muslim consumers in Indonesia. A well-established implementing agency for halal product certification, outlined in legal regulations, is necessary. The Halal Product Certification Implementing Agency, as mandated by the Halal Product Guarantee Law, can fulfill its duties effectively through collaboration with relevant agencies, such as those involved in Islamic banking. The Halal Product Guarantee Law defines the main tasks, functions, and roles of each agency responsible for implementing halal product certification (Sakti & Imanullah, 2021). Indonesia possesses ample opportunities for the development of the halal industry. However, challenges persist regarding trust in halal products, limited competition in the halal market, and the implementation of halal regulations (Fathoni, 2020).

In order to mitigate the associated risks, companies must understand how to achieve and sustain food safety and halal status throughout their manufacturing processes. According to Wahyuni et al. (2020), research suggests that food safety plays a crucial role in ensuring halal

assurance. From a managerial standpoint, this study's findings propose several activities that companies can undertake to address these issues. These activities include training programs, socialization efforts, and collaboration with the government.

Implementing training initiatives is essential to enhance the competence and knowledge of the workforce regarding processes that align with halal food safety standards. By providing employees with the necessary training, companies can ensure that their manufacturing practices comply with the requirements for producing halal products. These training programs aim to equip employees with the skills and understanding needed to maintain food safety and halalness.

Socialization efforts also play a significant role in maintaining product quality and fostering consumer confidence. By actively engaging with consumers and stakeholders, companies can demonstrate that their products are safe and halal for consumption. Through various socialization activities, such as public awareness campaigns and educational initiatives, companies can inform the public about their commitment to food safety and halalness. This helps build trust and reassures consumers that they can rely on the company's products.

Furthermore, collaborating with the government is a strategic step for companies to adhere to food safety and halalness regulations. The government serves as a valuable source of information on food safety and halal policies, providing companies with guidance and support. By aligning their strategic plans with government regulations and recommendations on food safety and halalness, companies can optimize their adherence to these regulations. This collaboration ensures that companies stay updated on the latest requirements and standards, enabling them to make informed decisions and implement necessary measures to ensure compliance.

In summary, achieving and maintaining food safety and halal status in manufacturing processes requires companies to undertake various activities. These include implementing training programs to enhance employee competence, conducting socialization efforts to maintain product quality and consumer confidence, and collaborating with the government to align with food safety and halalness regulations. By prioritizing these activities, companies can effectively mitigate risks and ensure the production of safe and halal products.

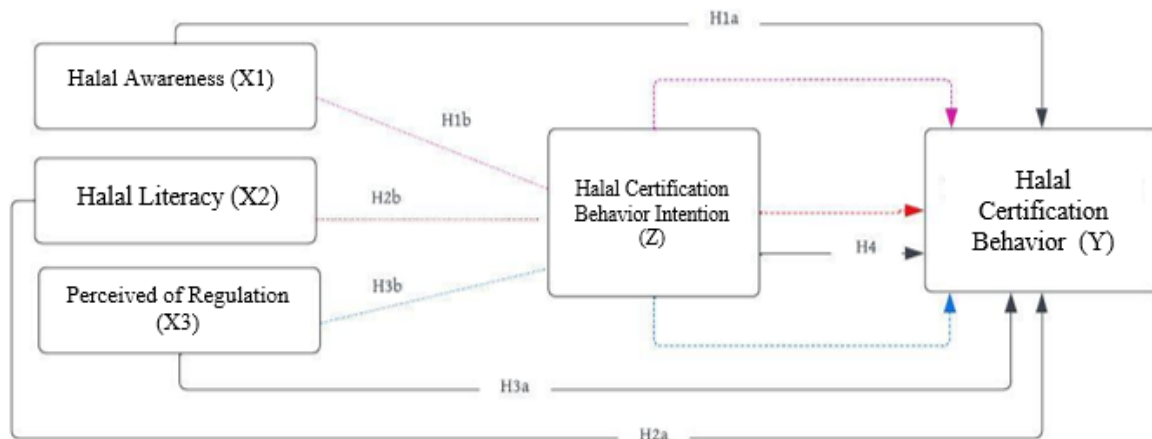
METHODOLOGY

This research adopts a quantitative approach, utilizing the SEM-PLS research method with the SmartPLS 3.0 software. The study involves MSME owners from various types of

businesses in Malang City. Primary data, which directly relates to the respondents, is collected through the use of an online survey administered via Google Forms. Out of the 206 respondents who completed the questionnaire, 195 questionnaires were fully filled out, and further analysis identified 144 valid responses.

The questionnaire utilized in this study employs a Likert scale as a measurement reference. The research employs a quantitative approach to investigate the impact of exogenous variables, such as halal awareness, halal literacy, and regulatory perceptions, on the dependent variable of halal certification behavior. The study also considers the mediating variable of halal certification behavior intention to assess its influence on the relationship between the independent and dependent variables.

Figure 1: Research Models and Hypotheses



Source: Prepared by the authors (2023)

Hypotheses:

H1a: Halal awareness has a positive and significant impact on halal certification behavior.

H1b: Halal awareness has a positive and significant impact on halal certification behavior through the mediating variable of halal certification behavior intention.

H2a: Halal literacy has a positive and significant impact on halal certification behavior.

H2b: Halal literacy has a positive and significant impact on halal certification behavior through the mediating variable of halal certification behavior intention.

H3a: Perceived regulation has a positive and significant impact on halal certification behavior.

H3b: Perceived regulation has a positive and significant impact on halal certification behavior through the mediating variable of halal certification behavior intention.

H4: Halal certification behavior intention has a positive and significant impact on halal certification behavior.

RESULT AND DISCUSSION

Result

Analysis result

The analysis of the data revealed several key findings regarding the characteristics of Micro, Small, and Medium Enterprises (MSMEs) and their owners. In terms of MSME characteristics, it was observed that food and beverage businesses constituted the majority with 122 respondents, accounting for 84.7 percent. This was followed by recreational media with 10.4 percent, cosmetic drugs with 2.8 percent, and tourism with 2.1 percent. In terms of annual sales turnover, the study found that MSMEs with turnovers of less than 300 million dominated, representing 92.3 percent of the respondents. The next category was turnover between 300 million and 500 million annually, accounting for 4.9 percent, while turnover above 500 million constituted 2.8 percent. The dominance of MSMEs with turnovers below 300 million can be attributed to the typical financial scale of micro and small enterprises.

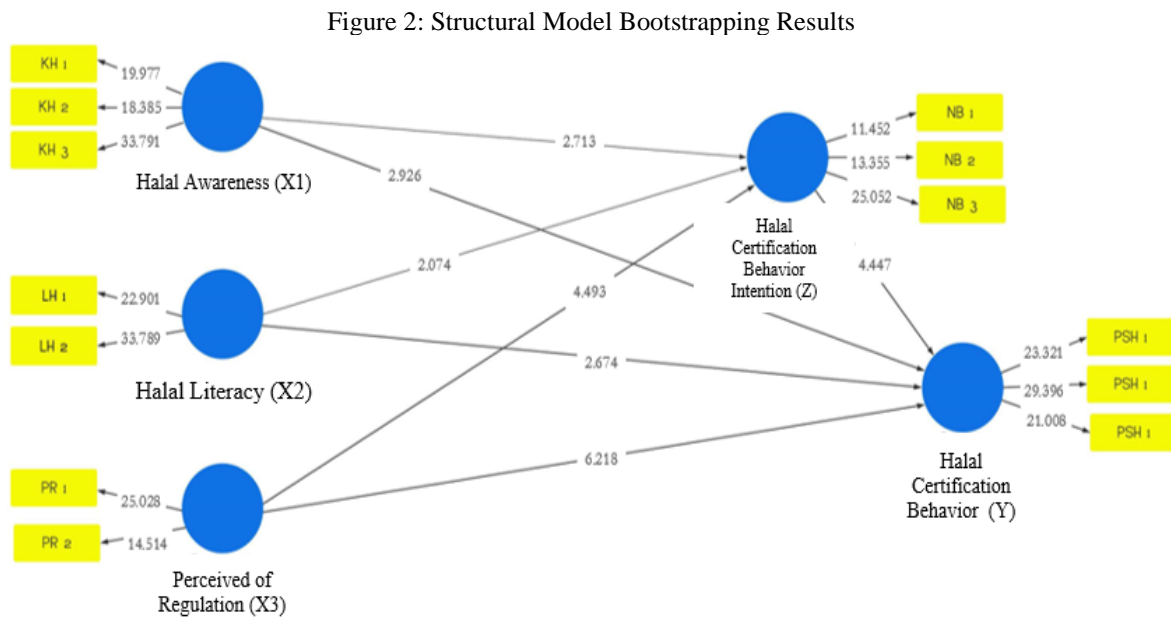
Regarding the characteristics of MSME owners, it was observed that female owners were in the majority, comprising 68.7 percent of the respondents, while male owners accounted for 31.3 percent. This can be attributed to the fact that many MSME owners in the study were housewives who engaged in business activities. Furthermore, the analysis of the owners' age revealed that the age range of 36-45 years dominated, representing 40.3 percent. This was followed by the age range of 46-55 years with 23.6 percent, 26-35 years with 19.4 percent, 17-25 years with 9.1 percent, and finally, those over 55 years with 7.6 percent. The dominant presence of MSME owners in the productive age range can be attributed to the demographic composition of Malang City, which has a high proportion of individuals in their productive years.

In terms of the educational level of MSME owners, the analysis showed that owners with a high school education were the majority, accounting for 45.1 percent of the respondents. This was followed by bachelor's degree holders (S-1) with 28.5 percent, junior high school (SMP) graduates with 12.5 percent, diploma holders with 7.6 percent, elementary school (SD) graduates with 3.5 percent, and master's degree holders (S-2) with 2.8 percent. The high level of education among MSME owners in Malang City can be attributed to the overall high Human

Development Index (HDI) of the city, which is one of the highest in the East region based on data from the Central Statistics Agency (BPS) of Malang City in 2021.

Overall, the data analysis provided valuable insights into the characteristics of MSMEs and their owners in the study area. These findings can serve as a basis for further research and the development of targeted strategies to support and enhance the MSME sector in Malang City.

Data analysis



Source: Prepared by Authors (2023)

Convergent validity

Table 1: Halal Certification Average Variance Extracted (AVE)

	(AVE)
Halal Awareness	0.649
Halal Literacy	0.795
Perceived Regulation	0.709
Behavioral Intention	0.661
Halal Certification	0.624

Source: Prepared by Authors (2023)

Based on Table 1, the Average Variance Extracted (AVE) values for all constructs or variables can be observed. The AVE values for halal awareness, halal literacy, perceived regulation, behavioral intention, and halal certification are 0.649, 0.795, 0.709, 0.661, and 0.624, respectively. These values align with Chin's theory (1998), which suggests that an AVE

value above 0.5 indicates a good model fit. Thus, the proposed model in this study is considered to be sound.

Discriminant validity

Table 2: Halal Certification Discriminant Validity (Cross Loading)

Indicator	Halal Awareness	Halal Literacy	Perceived Regulation	Behavioral Intention	Halal Certification
HA 1	0.760	0.234	0.304	0.319	0.451
HA 2	0.784	0.263	0.328	0.282	0.402
HA 3	0.844	0.205	0.213	0.346	0.537
HL 1	0.207	0.878	0.261	0.226	0.295
HL 2	0.249	0.905	0.344	0.245	0.339
PR 1	0.324	0.294	0.895	0.404	0.430
PR 2	0.265	0.284	0.786	0.201	0.380
BI 1	0.371	0.140	0.313	0.779	0.429
BI 2	0.393	0.239	0.273	0.898	0.501
BI 3	0.342	0.294	0.324	0.717	0.425
HC 1	0.559	0.279	0.301	0.440	0.800
HC 2	0.508	0.321	0.367	0.459	0.836
HC 3	0.381	0.231	0.425	0.393	0.743

Source: Prepared by Authors (2023)

Reliability test

Table 3: Halal Certification cronbach alpha and composite reliability

	Cronbach's Alpha	Composite Reliability
Halal Awareness	0.823	0.881
Halal Literacy	0.742	0.885
Perceived Regulation	0.713	0.829
Behavioral Intention	0.826	0.886
Halal Certification	0.799	0.869

Source: Prepared by Authors (2023)

Based on Table 3 above, the Cronbach's alpha values for all constructs indicate satisfactory levels of reliability, as they meet the criteria for good reliability. Additionally, the composite reliability values further confirm the reliability of the constructs.

Coefficient of determination (R-square)

Table 4 provides the R-square (R^2) test value for the Halal Certification variable, which is 0.548. This indicates that the variables of Halal Awareness, Halal Literacy, Perceived Regulation, and Behavioral Intention collectively account for 54% of the influence on Halal Certification. The remaining 46% of the influence is attributed to other variables that are not included in the model under investigation.

Table 4: Coefficient of determination (R-Square)

	R Square	R Square Adjusted
Behavioral Intention	0.279	0.265
Halal Certification	0.548	0.537

Source: Prepared by Authors (2023)

Furthermore, the Behavioral Intention variable has an R-square (R^2) value of 0.279, indicating that it explains 27% of the variance in the variables of Halal Awareness, Halal Literacy, Perceived Regulation, and Halal Certification. The remaining 73% of the variance is attributed to other variables not included in the model.

Hypothesis test results

Table 5: Path Coefficient Values

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Halal Awareness -> Halal Certification	0.417	0.420	0.067	6.218	0.000
Halal literacy -> Halal certification	0.135	0.134	0.050	2.674	0.008
Perceived Regulation -> Halal Certification	0.218	0.213	0.075	2.926	0.004
Behavioral intention -> Halal certification	0.279	0.277	0.063	4.447	0.000
Halal literacy -> Behavioral intention -> Halal certification	0.038	0.039	0.021	1.826	0.068
Perceived Regulation -> Behavioral Intention -> Halal Certification	0.070	0.070	0.030	2.298	0.002
Halal Awareness -> Behavioral Intentions -> Halal Certification	0.109	0.107	0.037	2.928	0.004

Source: Prepared by Authors (2023)

Discussion

Halal awareness on Halal certification behavior

The hypothesis testing results indicate that there is a significant positive effect of halal awareness on halal certification behavior, with a p-value of 0.000, which is less than or equal to 0.05. Therefore, H1a, which proposes that halal awareness has a significant positive effect on halal certification behavior, is accepted. These findings contradict previous research conducted by Baabdullah et al. (2021), Hung et al. (2014), Qader et al. (2022), Rasheed & Siddiqui (2019), and Renaud & Ophoff (2021), which suggested that awareness directly influences behavior in MSME (Baabdullah et al., 2021; Hung et al., 2014; Qader et al., 2022; Rasheed & Siddiqui, 2019; Renaud & Ophoff, 2021).

However, this study aligns with the research conducted by Margarena (2022), which argues that awareness does not have a direct impact on individual behavior. The findings of this study explain that high levels of halal awareness positively influence the actual behavior of MSME owners in obtaining halal certification for their products. This study also supports the theory proposed by Ahmad Hamdani et al. (2021), which suggests that products with halal certification signify cleanliness and quality. Halal certification enhances the perception of product quality and instills consumer confidence. Considering the halal awareness indicator, it reflects the understanding of producers regarding the importance of halal products and their awareness in obtaining halal certification.

Halal awareness and Halal Certification behavior with mediation of Halal certification behavioral intention

Based on the results of hypothesis testing, it is found that the relationship between halal awareness and halal certification behavior, mediated by the intention to behave halal certification, produces a significant p-value with a large effect of 0.004. This supports H1b, which hypothesizes that halal awareness has a significant positive effect on halal certification behavior through the halal certification intention of MSME owners. Therefore, H1b is accepted.

These findings are consistent with previous research conducted by Al Balushi et al. (2018), Azmi et al. (2019), Basir & Musa (2022), Hasan et al. (2020), Soltanian et al. (2016), and Supaat et al. (2018), which suggest that halal awareness, as part of the attitude and behavior of MSME owners, influences their actual behavior of obtaining halal certification through the mediation of intention (Al Balushi et al., 2018; Azmi et al., 2019; Basir & Musa, 2022; Hasan et al., 2020; Soltanian et al., 2016; Supaat et al., 2018). The higher the level of halal awareness, the stronger the intention to pursue halal certification, thus reinforcing halal certification behavior. In this study, the intention to behave in halal certification acts as a full mediating factor between awareness and halal certification behavior. It is evident that without the mediating role of intention, halal awareness alone does not have a direct effect on halal certification behavior.

Halal literacy and Halal certification behavior

In the results of hypothesis testing, it is revealed that the Halal Literacy construct has a t-statistic value of 2.674, which is greater than 1.96, and a significance value of 0.008, which is smaller than 0.05. This leads to the conclusion that Halal Literacy has a significant positive

effect on MSME players' decision to pursue halal certification. Therefore, the hypothesis statement is accepted. Increasing Halal Literacy is found to influence the decision of MSME players to pursue halal certification, and vice versa.

These findings contradict previous research conducted by Elkasysyaf & Hartati (2021) and Margarena (2022), which suggest that the level of Halal Literacy has a negative effect on purchasing decisions for halal products (Elkasysyaf & Hartati, 2021; Margarena, 2022). However, it is important to note that in the context of this study, the results demonstrate the significance of Halal Literacy in influencing MSME players to pursue halal certification. It is possible that the discrepancy in findings is due to variations in factors such as consumer preferences, market demand, and cultural context.

Furthermore, the results of this study differ from previous research conducted by Anis Setyowati et al., which demonstrated a significant influence of Halal Literacy on the interest in consuming halal products in the Madiun district community. These differing results could be attributed to variations in the sample population, geographical location, and research context.

Overall, this study highlights the significance of Halal Literacy in influencing MSME players' decisions to pursue halal certification, indicating the importance of promoting and enhancing awareness of halal practices and certifications among MSMEs.

Halal literacy and Halal certification behavior through the mediation of Halal certification behavioral intention

The results of this hypothesis show a t-statistic value of 1.826, which is less than 1.96, with a p-value of 0.068. This indicates that the relationship between halal literacy and halal certification behavior, mediated by halal certification behavioral intention, does not have a significant effect on halal certification. Therefore, H₀ is rejected. These findings align with the research conducted by Margarena (2022), who argues that in Indonesia, access to halal products is readily available, leading consumers to pay less attention to the halalness of a product. The negative effect of halal literacy on purchasing decisions for halal products supports this perspective.

Interestingly, this study reveals that halal literacy and halal awareness, when mediated by the intention to behave variable, can motivate MSME players to pursue halal certification. The term "intention" refers to the willingness and determination to carry out an action without hesitation.

These findings highlight the complexity of the relationship between halal literacy, halal certification behavior, and intention. While direct effects may not be significant, the mediating role of intention suggests that it plays a crucial role in driving the decision-making process of MSME players regarding halal certification. Further research is needed to explore the underlying factors and mechanisms that influence this relationship.

Perception of government regulation on Halal certification behavior

Based on the results of hypothesis testing, it is found that the relationship between perceived government regulations and halal certification behavior produces a p-value of 0.004, which is ≤ 0.05 . Therefore, H3a is accepted, indicating that perceived government regulations have a significant positive effect on halal certification behavior directly. These findings align with previous research conducted by Margarena (2022) and Zulfikar & Astuti (2020), which also highlight the direct influence of perceptions of government regulations on behavior in MSMEs (Margarena, 2022; Zulfikar & Astuti, 2020).

The results of this study reaffirm the Theory of Planned Behavior proposed by Ajzen (1991), which states that perceived government regulation is part of the perceived behavioral control construct. Perceptions of government regulations directly influence the actual behavior of MSME owners in making decisions regarding halal certification. When MSME owners have a positive perception of government regulations, they are more likely to engage in halal certification behavior. This suggests that a favorable perception of government regulations enhances the motivation and confidence of MSME owners to pursue halal certification.

These findings have implications for policymakers and regulatory bodies. It highlights the importance of creating an enabling regulatory environment that supports and encourages halal certification in MSME. By improving the perception of government regulations, policymakers can foster a favorable business climate that promotes halal certification behavior among MSME owners.

Perception of government regulation on Halal certification behavior through mediation of Halal certification behavioral intention

Based on the results of the hypothesis test, it is found that the perception of government regulation on halal certification behavior through the mediation of intention produces a p-value ≤ 0.05 and a magnitude of influence of 0.002, supporting H3b. This indicates that the perception of government regulation has a significant positive effect on the halal certification behavior of

MSME owners through the mediation of intention. H3b is accepted; however, the direct effect of perceived government regulation on halal certification behavior is stronger than its effect through the mediation of intentions.

These findings align with previous research conducted by Nizam et al. (2019), Saleem (2017), and Soltanian et al. (2016), which also highlight the significant impact of the perception of government regulation on the halal certification behavior of MSME owners through the mediation of intentions (Nizam et al., 2019; Saleem, 2017; Soltanian et al., 2016). The implementation of derivative policies from the regulation of Law Number 11 of 2020, such as the "SEHATI" program by the Halal Product Guarantee Agency (BPJPH) of the Ministry of Religion of the Republic of Indonesia, has influenced the paradigm shifts and the halal certification behavior of MSME owners.

Regulations play a crucial role as one of the key factors in the successful halal certification process. Government policies, from the perspective of most MSME owners, significantly influence their intention to engage in halal business through halal certification. A positive perception of government regulatory regulations increases the intention to pursue halal certification behavior among MSME owners.

These findings emphasize the importance of supportive government regulations and policies in promoting halal certification behavior among MSME owners. By fostering positive perceptions of government regulation, policymakers can encourage MSME owners to actively seek halal certification and ensure compliance with halal standards. It is essential to continue enhancing the understanding and awareness of MSME owners regarding the benefits and significance of halal certification in the market.

Behavioral intention of Halal certification on Halal certification behavior

The results of the hypothesis testing reveal that family support for certification intentions produces a significant $p\text{-value} \leq 0.05$ with a large effect of 0.000, supporting hypothesis H4. This indicates that the behavioral intention of halal certification has a significant positive effect on the halal certification behavior of MSME owners. H4 is accepted.

These findings align with previous research conducted by Moghavvemi et al. (2015) and Sandoval & Rank (2022), which highlight the role of intention as a direct antecedent that shapes individual behavior (Moghavvemi et al., 2015; Sandoval & Rank, 2022). The stronger the intention, the higher the likelihood of subsequent behavior. Therefore, the significant

influence of the five variables on intention will automatically encourage MSME owners' behavior in pursuing halal certification.

The factor of behavioral intention in halal certification for halal products is closely related to the concept of halal certification itself. According to research by Fatmawati et al. (2023), consumers are motivated to form intentions to consume halal products when their social environment encourages the purchase of halal products. This aligns with the government regulations on halal certification, which serve as a motivation for MSME players to pursue halal certification. Thus, the suggestion regarding halal certification is not only a matter of religious compliance for Muslims but also a form of obedience to government regulations.

These findings emphasize the importance of fostering supportive social environments and family support for halal certification intentions among MSME owners. By promoting positive attitudes and perceptions towards halal certification within the family and social networks, policymakers can encourage MSME owners to develop strong intentions to pursue halal certification and ultimately drive their behavior in obtaining halal certification for their products.

CONCLUSION AND SUGGESTION

The findings reveal that halal awareness, halal literacy, regulatory perceptions, and behavioral intentions towards halal certification have a partial influence on the halal certification behavior of Micro, Small, and Medium Enterprises (MSMEs). Additionally, it was discovered that the intention to engage in halal certification behavior mediates the relationship between halal awareness and halal literacy, and the actual behavior of obtaining halal certification in MSME. However, the intention to engage in halal certification behavior does not moderate the relationship between halal literacy and the actual certification behavior in MSME.

To enhance halal awareness, the government and halal institutions in Indonesia can implement various strategies such as advertising, socialization campaigns, and training programs. It is crucial for the government to provide clear definitions of products that require halal certification to establish trust among customers. Additionally, offering incentives to encourage businesses to pursue halal certification, simplifying the certification procedures, and providing financial support, particularly for micro and small businesses, can contribute to increasing the number of halal-certified enterprises. These measures aim to support MSMEs in obtaining halal certification and complying with halal standards.

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