# The Urgency of Packaging Houses in Accelerating Halal Certification For MSMEs Products in Jember Regency Indonesia

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**Abstract**

This study focused on the crucial role of packaging houses in expediting halal certification, particularly for Micro, Small Medium Enterprises (MSMEs) in Jember Regency. The objectives include analyzing the impact of packaging house quality on the halal certification of MSMEs products, exploring the role of packaging houses in accelerating the certification process, and assessing the repercussions of halal certification on product competitiveness in the local market. Using a mixed-method approach, the authors employed an exploratory sequential design. Focus Group Discussions emphasize the significant role of halal certification, challenges in MSMEs certification, and the vital role of packaging houses in the Jember Regency. Proposed solutions involve decentralization, training for *Juru Sembelih Halal (Juleha)* 'Halal Slaughterers', and collaborative efforts. Survey results indicate that MSMEs recognize the importance of packaging houses in expediting halal certification. However, facilities, systems, and regulations related to certification require more attention. Discussions confirm data validity and the ordinal logistic regression model, highlighting the crucial role of packaging houses in enhancing MSMEs awareness through training. Validation and reliability tests confirm research credibility, with t-tests revealing variations in MSMEs perceptions based on location, business type, and education. Research findings highlight the significant impact of packaging house quality on the halal certification process for MSMEs products in Jember Regency. High-quality packaging houses assist MSMEs practitioners in meeting halal certification requirements, enhancing consumer trust. The role of packaging houses in expediting the halal certification process is crucial, serving as guides. Halal certification significantly enhances consumer trust, expands the market, increases product competitiveness, and strengthens brand image.

## INTRODUCTION

The State of the Global Islamic Economy Report 2022 states that Indonesia holds a prominent position, ranking fourth with a robust Islamic economic ecosystem. This achievement has been consistent since the previous year (DinarStandard, 2022). It aligns with the increasing public interest in certified halal products. However, obtaining halal certification for a product involves a registration process with various requirements for business practitioners. Halal Assurance System (HAS) 23000 outlines 11 mandatory criteria to ensure a halal product, including considering ingredients. This rule aligns with the decision of the Halal Product Assurance Organizing Agency Number 57 of 2021 on the Criteria for the Halal Product Assurance System. The term "ingredient" includes raw materials, additives, and auxiliary materials (Safitri & Dyah, 2022). Packaging attached to a product fall under the category of additives.

This process is crucial for several reasons. First, packaging can influence the quality and safety of the product, affecting aspects such as colour, taste, and odour (Bujang & Bakar, 2023). Second, packaging can be a source of contamination, posing risks to consumers if not clean or defective. Third, packaging is closely related to the producer's responsibility, ensuring safety and quality standards compliance. Fourth, packaging plays a crucial role in preserving the product

during transportation and storage, categorizing it as a critical point in HAS 23000 (Indonesian National Standard for Food Safety Management System) (MUI, 2012).

On the other hand, previous research has explored factors influencing halal certification, but few have focused on the role of packaging houses. Yet, packaging house services are among the top priorities in the Ministry of Cooperatives and MSMEs' programs for 2023 (Juwitasari, 2023). Therefore, it is essential to note that packaging house services significantly impact the halal certification process and the overall supply chain of halal products. In this context, Hussain et al.'s findings indicate that packaging is a crucial element for consumer purchasing behavior and effective communication of product information (Hussain et al., 2015). Packaging can be considered one of the most valuable tools in marketing communication (Farooq et al., 2018) serving as an essential device for sales promotion by many business organizations (Yeo et al., 2020). Additionally, Yunus et al. (Yunus et al., 2014) revealed that awareness of halal status and product ingredients significantly influences the intention of Muslim consumers to purchase packaged Halal food produced by non-Muslim manufacturers. Therefore, it is crucial to understand that the role of packaging houses goes beyond the physical aspects of the product and also impacts consumers' perceptions of halal authenticity (Riaz & Riaz, 2024).

This research addressed the gap by examining the urgency of packaging houses in expediting halal certification, especially with the approaching deadline of the first phase of mandatory certification on October 17, 2024, as mandated by Law No. 33 of 2014 and its derivatives. This obligation applies to three product groups: first, food and beverage products; second, raw materials, food additives, and auxiliary materials for food and beverage products; and third, slaughter products and slaughter services. This focus highlights the importance of this research in offering novelty by considering the perspective of packaging houses as a crucial factor in expediting halal certification for MSMEs products.

**METHODS**

The research employed a mixed-method approach with an exploratory sequential design. This design involves an initial phase of qualitative data collection, followed by a subsequent phase of quantitative data collection (Creswell & Creswell, 2018). The primary objective is to explore existing phenomena through qualitative exploration and subsequently establish relationships between variables identified in the qualitative phase through quantitative analysis. The qualitative phase of the research utilized the case study method. This approach is characterized by an in-depth and comprehensive analysis of a particular instance or case within its real-life context (Simons, 2014). Through this method, the researchers aimed to gain a nuanced understanding of the intricacies and details surrounding the phenomena under investigation. The case study method allows for a holistic exploration of the subject matter, capturing the richness and complexity of the context in which the phenomenon occurs. Following the qualitative phase, the research transitioned to a quantitative approach employing correlational research methods. Correlational research involves the systematic examination of the relationship between two or more variables to identify patterns of association (Harrison & Reilly, 2011). In this context, the aim was to establish connections between variables that emerged as significant during the qualitative exploration. Correlational methods allow for the identification of statistical relationships, contributing to a more comprehensive understanding of the phenomena studied.

Practically, the research commences by gathering information through primary data collection methods such as observation, Focus Group Discussions with selected informants, and documentation. The chosen informants in this study encompass stakeholders and relevant parties, including the Jember Regency Government, the Department of Industry and Trade (DISPERINDAG) of Jember Regency, the Cooperative and MSMEs Agency (DISKOPUM), the Halal Inspection Institute of the Kiai Haji Achmad Siddiq State Islamic University, the Indonesian Ulema Council (MUI) of Jember Regency, the Indonesian Young Entrepreneurs Association (HIPMI) Jember, Jember Entrepreneur Community (JECO), and a business entity currently

undergoing halal certification, CV Citra Rasa Indonesia. These informants are gathered in a forum to explore and elaborate on thoughts and ideas related to the research. The results of these discussions, along with other collected data, will be analyzed using triangulation methods.

At the qualitative research stage, the instruments employed include the researcher as the primary instrument, playing a key role in collecting qualitative data through Focus Group Discussions and interviews. Additionally, interview guidelines serve as a tool to guide the interview process with selected informants, ensuring consistency in questions and enabling the researcher to gain a profound understanding from the informants' perspectives. Subsequently, the research progresses with a survey focused on assessing the significance of packaging houses in expediting the halal certification process for MSMEs products in Jember Regency. Two types of data are collected: primary data, acquired through questionnaires filled out by targeted respondents, where agreement levels are gauged using the Likert scale; and secondary data, obtained through literature studies or related documents. To ensure the validity and reliability of the Likert scale instrument, the researcher employs techniques such as content validity, construct validity, and criterion validity. Furthermore, corrections have been made to the intervals in Table 3.1. Moreover, the reliability test, conducted after ensuring the validity of items, assesses the consistency of the questionnaire through Cronbach's alpha, considering a value >0.70 as an indicator of reliability (Siregar, 2013). The survey population includes all registered MSMEs in the Cooperative Office of Jember Regency, totaling 315 respondents distributed across 29 districts. To determine the sample from this population, the Simple Random Sampling method is employed. This method is used to select a representative sample that can reflect the population as a whole (Sugiyono, 2018). In this study, a sample of 30 respondents is randomly selected without specific considerations. The simple random sampling method is used, meaning sample members are randomly chosen from the population without considering similarity or strata in the population. The data from informant discussions were analyzed using triangulation methods. The research findings were then justified through a survey of 30 respondents from MSMEs registered in the Jember Regency Cooperative Office. In the survey regarding the urgency of packaging houses as an effort to expedite halal certification for MSMEs products in Jember Regency, each question in the survey was assigned a value. These values were calculated using the 'weighted average value' for each service element. In this survey calculation, each service element had equal weight. The weighting value was determined by the formula in table 1.

Table 1. Formula 1

| Weighted average value weight | = | Sum of weights / Total Number of Elements | = | 1 / x | = | N |
|---|---|---|---|---|---|---|

To simplify the interpretation of the assessment of the urgency survey of packaging houses as an effort to expedite halal certification for MSMEs products in Jember Regency, which ranges from 20-100, the assessment results above are converted with a base value of 25, using the formula in the table 2.

Table 2. Formula 2

| Survey Urgency of Packaging Houses | = | Total of Perception Values per Element / Total Elements Filled In | = | Weighting Value |
|---|---|---|---|---|

To simplify the interpretation of the assessment of the urgency survey of packaging houses as an effort to expedite halal certification for MSMEs products in Jember Regency, which ranges from

20-100, the assessment results above are converted with a base value of 25, using the formula in table 3.

Table 3. Formula 3

| Survey Urgency of Packaging Houses = |
| --- |
| Service Unit x 25 |

The final result in the form of an index number can be interpreted as table 4.

Tabel 4. Perception Values and Interval Values of the Survey Urgency of Packaging Houses

| Perception Value | Interval Value | Interval Value (%) | Criteria |
| --- | --- | --- | --- |
| 5 | 4,2 - 5 | 84% - 100% | Excellent |
| 4 | 3,4 - 4,1 | 68% - 83% | Good |
| 3 | 2,6 - 3,3 | 52% - 67% | Fairly Good |
| 2 | 1,8 - 2,5 | 36% - 51% | Not Good |
| 1 | 1 - 1,7 | 20% - 35% | Very Not Good |

Source: Processed data, 2023

From the survey results, further analysis was conducted using ordinal logistic regression to observe the predictive interdependence between variables.

## RESULTS AND DISCUSSION
### Focus Group Discussion Results

Halal certification is crucial for halal products in the market (Kawata et al., 2017). For consumers, the halal label serves as an assurance that a product meets the halal standards in accordance with religious teachings (Sobari et al., 2022). Therefore, it is essential for Micro, Small, and Medium Enterprises (MSMEs) to obtain halal certification to build consumer trust and expand their market. However, the halal certification process for MSMEs is challenging, influenced by several factors. The results of the Focus Group Discussion (FGD) conducted by Keris-Dimas Sharia Economics on May 30, 2023, addressed various aspects related to the urgency of packaging houses as an effort to expedite halal certification for MSMEs products in Jember Regency.

The Deputy Regent of Jember emphasized the importance of halal certification to reassure consumers that the products they consume are halal and good. The increasing demand for meat exports to Dubai makes halal certification more relevant for MSMEs. With the halal label, MSMEs products will be more readily accepted by consumers in the export destination country(Noordin et al., 2014). However, it is crucial to note that packaging houses should not only focus on halal certification but also ensure that the packaging aligns with the produced halal products (Aslan, 2023). Avoiding discrepancies between halal packaging and non-halal products or vice versa is important. The Deputy Regent of Jember highlighted the role of the centralized fatwa committee as one of the factors slowing down the halal certification process. Therefore, he suggested decentralization in halal certification management. He also proposed training for *Juru Sembelih Halal (Juleha)* 'Halal Slaughterer' to ensure that every slaughterer holds halal certification, ensuring their professionalism.

Meanwhile, halal inspection institute (LPH) of Kiai Haji Achmad Siddiq Jember State Islamic University added that high-risk businesses like animal slaughtering processes must go through regular or paid channels, adding burdens to businesses. The centralized fatwa committee also poses a constraint in expediting halal certification issuance. Halal inspection institute (LPH) of Kiai Haji Achmad Siddiq Jember State Islamic University argued that packaging houses should not only function as halal certification issuers but also provide recommendations and guidance for halal packaging. MUI emphasized that packaging houses can either expedite or slow down the halal certification process. While packaging houses can help business owners obtain halal certification

more quickly, if their orientation is business-based, it may lead to monopolies and discourage some entrepreneurs from registering their products for halal certification (Al-shami & Abdullah, 2023).

From the FGD results, it is evident that the existence of packaging houses in Jember Regency is crucial and has a significant impact on expediting halal certification for MSMEs products. Packaging houses will help provide guidance and assistance for MSMEs in creating packaging that meets standards and is attractive to consumers. With good and halal-compliant packaging, MSMEs products can be more easily accepted and trusted by consumers, strengthening the halal product image in the market.

## Survey Results
### *Data Validity Test*

The validity test aims to determine the validity of the questionnaire used by the researcher in measuring and obtaining research data from respondents. Good data to be used as a research instrument is valid data (Sugiyono, 2018). Validity can be measured using the significance value (P-Value) (Darwin, et al., 2021), as follows: (a) Significance value $< 0.05$ concludes Valid, (b) Significance value $> 0.05$ concludes not valid.

Table 5. Results of the Validity

| Questionnaire Statements | Value | Remarks |
|---|---|---|
| Statement Item 1 | 0,004 | Valid |
| Statement Item 2 | 0,018 | Valid |
| Statement Item 3 | 0,004 | Valid |
| Statement Item 4 | 0,001 | Valid |
| Statement Item 5 | 0,039 | Valid |
| Statement Item 6 | 0,003 | Valid |
| Statement Item 7 | 0,002 | Valid |
| Statement Item 8 | 0,050 | Valid |
| Statement Item 9 | 0,012 | Valid |
| Statement Item 10 | 0,043 | Valid |
| Statement Item 11 | 0,002 | Valid |
| Statement Item 12 | 0,014 | Valid |
| Statement Item 13 | 0,017 | Valid |
| Statement Item 14 | 0,049 | Valid |
| Statement Item 15 | 0,044 | Valid |
| Statement Item 16 | 0,014 | Valid |
| Statement Item 17 | 0,017 | Valid |
| Statement Item 18 | 0,028 | Valid |
| Statement Item 19 | 0,046 | Valid |
| Statement Item 20 | 0,030 | Valid |
| Statement Item 21 | 0,012 | Valid |
| Statement Item 22 | 0,012 | Valid |
| Statement Item 23 | 0,004 | Valid |
| Statement Item 24 | 0,044 | Valid |

|  | **N** | **%** |
|---|---|---|
| **Cases** **Valid** | **30** | **100,0** |
| Excluded[a] | 0 | 0,0 |
| Total | 30 | 100,0 |
| a. List wise deletion based on all variables in the procedure. | | |

Source: Data processed, 2023

Based on the results of the data validity test above, it can be stated that the questionnaire items data in this study is valid and suitable to be used as research items.

The construct validity test is used to ensure that the instrument used truly measures the construct in question and that the measurement is valid and accurate. In this study, researchers used the Keaiser-Meyer-Olkin (KMO) test. The KMO test is useful for measuring the extent to which the variables in the dataset are suitable or suitable for factor analysis. The KMO test is said to be valid when the Kaiser-Meyer-Olkin Measure of Sampling Adequacy value is >0.5 and the significance value is <0.01. Here are the results of the validity test on the questionnaire used in this research:

Table 6. Keaiser-Meyer-Olkin (KMO) Test

| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | 0,556 |
|---|---|---|
| Bartlett's Test of Sphericity | Approx. Chi-Square | 401,860 |
| | df | 276 |
| | Sig. | 0,000 |

Source: Data processed, 2023

The results of the Keaiser-Meyer-Olkin (KMO) test show a Kaiser-Meyer-Olkin Measure of Sampling Adequacy value of 0.556 and a significance value of 0.000. This means that the KMO test results can be declared valid and suitable for use as a research instrument.

### Reliability Test

The reliability test aims to determine the level of consistency of the questionnaire used by the researcher, so that the questionnaire can be controlled even if the research is conducted repeatedly with the same questionnaire at different time periods. The reliability test is conducted after the questionnaire items are declared valid. A variable is considered reliable if the Cronbach's alpha value is >0.70 (Siregar, 2013). The following are the results of the reliability test on the survey data in this research.

Table 7. Reliability Statistics

| CRONBACH'S ALPHA | N OF ITEMS |
|---|---|
| 0,712 | 24 |

Source: Data processed, 2023

Based on the results of the reliability test in table 7, it can be stated that the obtained data is reliable, and the questionnaire can be controlled even if the research is conducted repeatedly with the same questionnaire at different time periods.

### The Survey Results

Based on the survey results from 30 MSMEs scattered across several districts in the Jember Regency as the sample of this study, the following data were obtained:
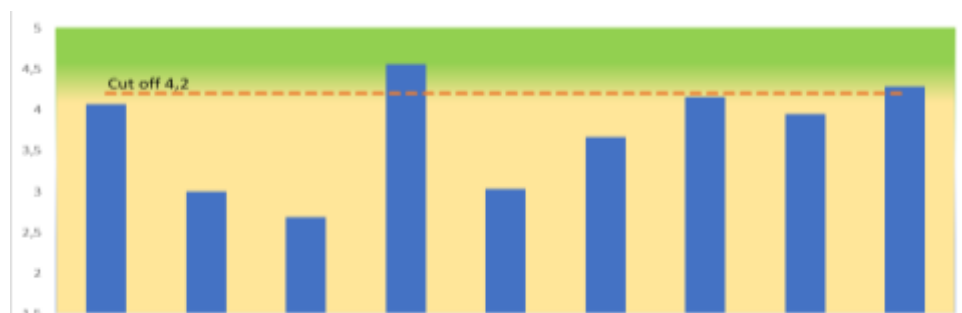


Figure 1. The Survey Results

Table 8. The Survey Results

| No. | Statement Item | Value | Criteria |
|---|---|---|---|
| 1 | Understanding of Halal Certification | 4.07 | Good |
| 2 | Halal Certification System and Procedures | 3.00 | Fairly Good |
| 3 | Supporting Facilities for Halal Certification | 2.68 | Fairly Good |
| 4 | Importance of Packaging in Determining Product Halalness | 4.56 | Very Good |
| 5 | Regulations | 3.03 | Fairly Good |
| 6 | Importance of Packaging Design | 3.67 | Good |
| 7 | Role of Halal Labels for MSMEs | 4.16 | Good |
| 8 | Importance of Knowledge on Halal Certification and Halal Labels for MSMEs | 3.95 | Good |
| 9 | Impact of Having Halal Labels on Packaging on MSMEs' Growth | 4.29 | Very Good |

Source: Data processed, 2023

From the figure 1 and table 8, it can be seen that MSMEs' perception of the importance of packaging design in expediting halal certification generally falls into the "good" category. However, aspects such as supporting facilities for halal certification, the halal certification system and procedures, and regulations related to halal certification received the lowest ratings compared to other aspects, although they still fall into the "fairly good" category. The significance of Quality of the Packaging House in determining the halalness of products received the highest public appreciation. Meanwhile, the aspect of supporting facilities for halal certification received the lowest public appreciation. Another issue of public concern is the lack of infrastructure to facilitate the needs in the halal certification process, such as halal packaging facilities, which often pose a challenge in issuing halal certification for MSMEs in Jember Regency. Issues also arise regarding the idealistic nature of the halal certification system and procedures, but the supporting infrastructure for implementing these systems and regulations is still very minimal, hindering the goal of making Indonesia the world's largest halal product industry.

Next, to determine predictions between variables, ordinal logistic regression analysis was conducted with the following results:

**case processing summary**

Specifically, 10% of the total sample indicates disagreement that Quality of the Packaging House can expedite halal certification. Approximately 20% of the total sample expressed a somewhat agreement that Quality of the Packaging House can accelerate halal certification. About 36.7% of the total sample agrees, and 33.3% of the total sample strongly agrees that Quality of the Packaging House can expedite halal certification. The total number of MSMEs used as samples is 30, and all MSMEs are deemed valid to proceed to the next stage of the research.

Table 9. Case Processing Summary

| | | N | Marginal Percentage |
|---|---|---|---|
| Variable Y | Not Good | 3 | 10.0% |
| | Fairly Good | 6 | 20.0% |
| | Good | 11 | 36.7% |
| | Very Good | 10 | 33.3% |
| Valid | | 30 | 100.0% |
| Missing | | 0 | |
| Total | | 30 | |

**model fitting information**

The purpose is to assess the model's fit with the addition of independent variables. Table 10 provides information on whether the inclusion of independent variables in a multinomial logistic regression model yields better results compared to a model that only includes the intercept. The decision-making basis can be observed by checking whether there is a decrease in the -2 log likelihood value from the intercept-only model to the final model. If there is a decrease in this value, then the multinomial logistic regression model with independent variables is considered better.

Table 10. Model Fitting Information

| Model | -2 Log Likelihood | Chi-Square | df | Sig. |
|---|---|---|---|---|
| Intercept Only | 17.030 | | | |
| Final | 16.107 | .923 | 1 | .034 |

Link function: Logit.

From the table above, it can be observed that there is a decrease in the -2 log likelihood value from intercept-only to the final model, specifically from 17.030 to 16.107, with a significance level of 0.034. This indicates that the model with independent variables is better than the model with only the intercept. In conclusion, the model is deemed fit.

**goodness-of-fit**

To assess the model's fit with the data, table 11 provides information on whether the multinomial logistic regression model is suitable for observational data. The decision-making basis is to examine the significance value of the chi-square, where if the sig. value is greater than alpha (sig. > 0.05), then the multinomial logistic regression model is considered fitting the observational data. From the table above, a significance value of 0.744 > 0.05 is obtained. This means that the multinomial logistic regression model is suitable for the observational data.

Table 11. Goodness-of-Fit

| | Chi-Square | df | Sig. |
|---|---|---|---|
| Pearson | 2.717 | 5 | .744 |
| Deviance | 3.835 | 5 | .573 |

Link function: Logit.

**r-square test**

Table 12 provides information on how much the independent variable can explain its dependent variable. From the table above, there are three generated models: Cox and Snell, Nagelkerke, and McFadden. In reality, researchers are free to choose which model they want to use. In this case, the researcher will use the model with the highest R-Square, which is Nagelkerke. This means that the independent variable, namely Quality of the Packaging House, is able to influence the dependent variable, namely the Acceleration of Halal Certification by 83.4%, while the other 16.6% is influenced by variables not included in this research.

Table 12. Pseudo R-Square

| | |
|---|---|
| Cox and Snell | .730 |
| Nagelkerke | .834 |
| McFadden | .612 |

Link function: Logit.

**t test**

From the data table 13, it can be interpreted that independent variable has a significant influence ($p < 0.05$) on the dependent variable.

Table 13. Parameter Estimates

| | | Estimate | Std. Error | Wald | df | Sig. | 95% Confidence Interval Lower Bound | Upper Bound |
|---|---|---|---|---|---|---|---|---|
| Threshold | [y = 2] | 1.700 | 3.716 | .209 | 1 | .047 | -2.583 | 5.983 |
| | [y = 4] | 4.631 | 3.786 | 1.497 | 1 | .021 | -.788 | 2.051 |
| Location | x | .995 | .951 | 1.094 | 1 | .029 | -.869 | 2.859 |

Link function: Logit.

So, p2 = -1.0036-(-1.07241) = 0,06881

In general, constants and regression coefficients for the independent variable (Quality of the Packaging House) are positive, indicating a positive one-way relationship between the independent and dependent variables.This means that the higher the Quality of the Packaging House can expedite the halal certification process.Every 1% increase in the independent variable will decrease the probability of strongly disagree by -1.00345% and increase the probability of somewhat agree by 0,06881%.

The regression coefficient value X1 obtained is 0.995, which when exponentiated is exp(0.995) = 2.704, the meaning is that every 1% increase in variable X1 will tend to increase the odds ratio of agreeing by 2.704 times greater than the other categories.

Table 14. Regression Equation Results

| p1 | = | $\dfrac{Exp(1.700 + (0.995))}{1- Exp(1.700 + (0.995))}$ | = | $\dfrac{14.80552}{(1-14.80552)}$ | = | -1.07241 |
|---|---|---|---|---|---|---|
| p1+p2 | = | $\dfrac{Exp(4.631 + (0.995))}{1- Exp(4.631 + (0.995))}$ | = | $\dfrac{277,5497}{(1-277,5497)}$ | = | -1.0036 |

**The Urgency of Packaging Houses in Accelerating Halal Certification**

The implementation of packaging houses is not without challenges. The main obstacles faced are regulations and the centralized fatwa committee management. Therefore, the role of the government and all stakeholders is crucial in collectively realizing effective and efficient packaging houses to expedite halal certification (Kurniawati & Cakravastia, 2023). Training and education for MSMEs are also essential to help them understand and utilize packaging houses optimally.

The Jember Regency Government, LPH, MUI, DISKOPUM, DISPERINDAG, and business actors need to collaborate to build packaging houses that can provide maximum benefits for MSMEs, improving the quality and quantity of halal products in Jember Regency. With good support and cooperation, packaging houses will be an effective solution to enhance the quality of MSMEs halal products and expedite the halal certification process. From these results, several analysis points were obtained, as follows:

***The Impact of Packaging House Quality on the Halal Certification Process for MSMEs Products in Jember Regency***

The impact of packaging house quality on the halal certification process for MSMEs products in Jember Regency is highly significant. High-quality and halal-compliant packaging houses provide substantial benefits for MSMEs entrepreneurs in the halal certification process and contribute to consumer trust in halal products (Rejeb et al., 2021).

First, good packaging house quality assists MSMEs entrepreneurs in creating packaging that aligns with halal standards (Bujang & Bakar, 2023), a crucial criterion for halal certification. If the packaging does not meet halal standards, the product may not receive halal certification, even if the product's ingredients are halal. Therefore, a packaging house that offers guidance and recommendations for halal packaging significantly aids MSMEs entrepreneurs in ensuring their products meet halal certification requirements (Sani et al., 2023).

Second, the quality of the packaging house also impacts consumer trust in MSME halal products. Consumers seeking halal products as a guarantee of compliance with religious teachings are more likely to trust products bearing the halal label (Imamuddin et al., 2020). Well-designed and attractive packaging conveys professionalism and enhances the perceived quality of the product, instilling confidence in consumers to purchase halal products from MSMEs.

Furthermore, the quality of the packaging house influences the halal product's image in the market (Fahira & Yasin, 2022). Appealing packaging with clear information about the product's halal status enhances its market appeal. A positive image of MSMEs halal products supported by quality packaging (Anam et al., 2018) helps these products compete locally and facilitates export plans to international markets.

However, it's crucial to emphasize that packaging house quality should not focus solely on aesthetics; it must ensure alignment with the actual halal content of the product. Attention to both the external appearance and the quality and suitability of packaging materials for the product's content is essential to avoid discrepancies between halal packaging and non-compliant products.

### The Role of Packaging Houses in Accelerating The Halal Certification Process for MSMEs Products

The role of packaging houses in accelerating the halal certification process for MSME products in Jember Regency will be very significant and have positive impacts. Several key roles of packaging houses in speeding up the halal certification process for MSME products are evident, namely: First, guide and assistance for MSMEs actors: Packaging houses serve as a guide and assistance for MSMEs actors in creating packaging that complies with halal standards (Suherlan, 2018). In the halal certification process, in addition to the requirements for halal products themselves, the packaging of the products must also meet halal standards. Packaging houses provide guidelines and recommendations on design, packaging materials, labels, and other necessary information so that products can obtain halal certification more quickly and accurately. Second, minimizing errors in packaging: It is important to avoid discrepancies between packaging that claims a product is halal but does not meet halal requirements, or vice versa. Packaging houses help ensure that the packaging is in line with the halal products produced, thereby minimizing errors in packaging that could lead to the rejection of halal certification (Tedjakusuma et al., 2023). Third, building consumer trust: Good packaging that meets halal standards helps MSMEs products be more easily accepted and trusted by consumers (Nugraha et al., 2022). The halal label on packaging serves as an assurance to the public that the product has met halal standards in accordance with religious teachings. Thus, consumer trust in halal MSMEs products will increase. Fourth, strengthening the Image of Halal Products in the Market: The existence of packaging houses helps enhance the image of halal products in the market. A positive and halal product image will attract more consumers (Jamal & Sharifuddin, 2015). Fifth, collaboration and support from government and relevant stakeholders: The implementation of packaging houses is not easy and requires support from the government, LPH, MUI, DISKOPUM, and other relevant stakeholders. Collaborative efforts from all parties are key to the success of building an effective and efficient packaging house.

Through these roles, packaging houses become an effective solution to enhance the quality of halal MSMEs products and expedite the halal certification process. The importance of the role of packaging houses also emphasizes that training and education for MSMEs actors on the

significance of packaging in accordance with halal standards are equally crucial to ensure the success of efforts to accelerate halal certification for MSMEs products in Jember Regency.

### *The Impact of Halal Certification on The Competitiveness of Halal Products in The Local Market*

The impact of halal certification on the competitiveness of halal products in the local market is highly significant. Halal certification becomes a key factor influencing consumer perceptions of products (Kurniawati & Savitri, 2020). Here are some positive impacts of halal certification on the competitiveness of halal products in the local market: First, Increased Consumer Trust: Halal certification provides assurance to consumers that the product complies with halal standards according to Islamic teachings (Kurniawati & Savitri, 2020). With the halal label on the packaging, consumers become more confident and trust the product, thereby increasing interest and desire to purchase halal products. Second, expanding market and consumer base: Halal-certified products are more easily accepted and trusted by Muslim consumers (Fauzi, 2022). This means the potential market for halal products becomes broader, encompassing the entire Muslim population in Indonesia. Additionally, halal products are increasingly favored by non-Muslims who are more conscious of the values of quality, cleanliness, and safety associated with halal products. Third, increased product competitiveness: With halal certification, halal products have a competitive advantage in the local market (Imamuddin et al., 2020). Consumers tend to prefer halal-certified products over similar products without certification because of the assurance of halal and reliable quality. Fourth, enhancing brand image and reputation: Halal certification can also help strengthen the image and reputation of halal product brands in the market. Companies or MSMEs with reliable halal products will gain positive recognition from consumers and the community as a whole, influencing an increase in popularity and product sales. Fifth, anticipating regulations and consumer demands (Kurniawati & Savitri, 2020): With the growing consumer awareness of the importance of halal and product quality, the demand for halal products is increasing. Through halal certification, companies or MSMEs are already anticipating and meeting the higher consumer demands for halal products. Sixth, market expansion: Halal certification also has the potential to drive market expansion for halal product manufacturers. Consumer trust in halal products can open market opportunities abroad, including for export products, such as to Dubai, which is one of the destinations for halal product exports.

From the Focus Group Discussion (FGD) and Survey results, it can be concluded that halal certification has a strong positive impact on the competitiveness of halal products in the local market. This certification instills confidence and trust in consumers, expands the market, enhances brand image, and provides a competitive advantage for halal products. It is important for MSMEs and manufacturers to recognize the importance of halal certification in improving competitiveness and to leverage it as an effective marketing strategy.

### CONCLUSION

The impact of packaging on halal certification's acceleration process for MSMEs' products in Jember Regency is predicted to be very significant. The reason is that good packaging can help MSMEs practitioners meet halal certification requirements and enhance consumer trust in the halal products produced. This data is reinforced by the analysis of survey results showing that almost all independent variables significantly influence the dependent variable. Packaging serves as a guide and assistance for MSMEs practitioners in creating packaging that complies with halal standards. In addition, packaging helps minimize errors that can lead to halal certification rejection, increase consumer trust, strengthen the image of halal products in the market, and enable market expansion. This data is supported by the regression equation results showing a positive one-way relationship between the independent variable (knowledge of halal obligations in 2024) and the dependent variable (MSMEs' perception that packaging can expedite the halal certification process). Thus, higher knowledge of halal obligations in 2024 leads to a higher perception that packaging can

accelerate the halal certification process. The impact of halal certification on the competitiveness of halal products in the local market is also predicted to be significantly affected. The reason is that halal certification can enhance consumer trust, expand markets and consumer share, improve product competitiveness, strengthen brand image and reputation, anticipate regulations and consumer demands, and encourage market expansion. Therefore, halal products with reliable halal labels have a competitive advantage in the local market, and consumers tend to choose these products.

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