



From awareness to action: Strategies for improving halal standards in Korean Noodles and Cosmetic Industry

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ABSTRACT

The global halal market is experiencing rapid growth, projected to reach US\$ 4,569.69 billion by 2030. However, maintaining the standards is a major problem, particularly for Korean instant noodles and cosmetic products. Therefore, this research aimed to examine the critical need for improved quality management and compliance in halal food and cosmetic supply chains. Issues such as lack of consumer awareness regarding halal labelling and contamination of products with non-halal or hazardous substances are discussed. Several solutions were proposed to address the challenges, including comprehensive halal standard education, internal training programs, and international cooperation for standardization. The results showed that there are several importance of regular and inclusive employee training, recognition strategies, and implementation of halal traceability systems. Additionally, the significance of government agencies and businesses from different countries was emphasized. This cooperation created consistent halal rules expected to be followed on a global basis. By integrating the strategies, manufacturers prevented contamination, ensured adherence to halal standards, and rebuilt consumer trust. Moreover, multi-faceted methods including education, technological advancements, and enhanced regulatory oversight were crucial for maintaining the integrity of halal industry and meeting growing global demand.

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1 Introduction

The demand for halal-certified products has risen exponentially with the increased growth of the global Muslim population. According to a report from ResearchAndMarkets.com, the global halal food market is forecasted to reach a valuation of approximately US\$ 4,569.69 billion by 2030, growing at Compound Annual Growth Rate (CAGR) of 9.33% from 2024 to 2030 (Halal World Institute 2024). Halal certification ensures that food and cosmetic items adhere to Islamic dietary and production requirements, providing consumers with assurance of quality and purity (Hashim & Mat Hashim 2013). However, the industry has faced significant challenges in maintaining high standards, particularly in the areas of Korean instant noodles and contaminated cosmetic products. Recent research found that many Indonesian consumers, particularly university students, lacked awareness of the importance of halal labeling of Korean instant noodles (Sayyidah *et al.* 2024). This lack of knowledge has led to a trend of non-compliance, where consumers unknowingly purchase products that may not adhere to halal standards. Similarly, cosmetic industry has faced issues of contamination, with reports of unsafe and non-halal ingredients being used in certain products (Radzi & Nordin 2019). Based on the description, this research aims to examine the critical need for improved quality management and compliance in halal food and cosmetic supply chains. By integrating better training, technology, and regulatory oversight, manufacturers can prevent contamination, ensure adherence to halal standards, and rebuild consumer trust (Dashti *et al.* 2024). Strategies, such as implementing halal traceability systems and enhancing employee education, can play key roles in elevating the integrity of halal industry and meeting the growing global demand for the products.

2 The Importance of Quality Management in Halal Supply Chains

Halal is present in modern trade and exchange as a new model for ensuring quality and influencing lifestyles (Khan *et al.* 2018). Furthermore, Soon *et al.* (2017) defined the right to halal as "the assurance of safety (purity), good quality, and freedom from practices that affect (halal) food from farm to table". In this context, Halal Integrity covered the entire supply chain. Quality management in the processing and supply chain comprised a set of methods and practices designed to ensure all stages of production meet halal standards. Supply Chain Management (SCM) is the coordination of manufacturing, warehousing, location, and transportation activities to achieve an optimal balance of responsiveness and effectiveness in a target market (Zulfakar 2012).

Raw preparation and quality control ensure that the materials used are halal-certified and not contaminated. To ensure product assurance, the producer must have halal-quality program. Halal certification programs and quality assurance practices positively and significantly influence competitive advantage (Nurjamjam 2024). Production processes should follow halal standards, including Islamic slaughter of animals when the products are for consumption. Packaging and storage must be maintained to prevent contamination. Additionally, the distribution of the final product is monitored to ensure the product is in halal standard conditions before reaching consumers. Proper quality control is concerned with following rules and maintaining consumer confidence in the manufactured products. This includes regular audits and verifications to ensure all operations meet halal standards.

Based on the opinions of consumers who consume halal-certified products, halal certification is important. A company's reputation is damaged by bad news about unintentional violations. Therefore, consumer

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confidence in selecting halal products is more important than trademarks (Hassan *et al.* 2016). Knowledge gaps between producers and suppliers in food supply chain can also negatively affect halal integrity. This is in line with the research of Hisham *et al.* (2024), where halal food supply chain management in the food and beverage industry directly affects integrity assurance. This can lead to non-compliance with halal standards, including the contamination of products with non-halal substances. Educational and awareness programs should be maintained for all parties in supply chain.

3 Korean Instant Noodles Not Labelled as 'Contains Pork' in Indonesia (2017)

In 2017, Food and Drug Monitoring Agency (BPOM) stated that four instant noodle products from South Korea tested positive for pork. Based on the results of BPOM sample examination and laboratory tests, the four types of instant noodles showed positive results for the presence of certain pork DNA fragments. In response to the results, BPOM ordered importers to withdraw products from circulation.

The order to recall the products of Korean instant noodle was issued by BPOM on 15 June 2017. The circular letter numbered IN.08.04.532.06.17.2432 was addressed to the head of POM Center/POM Centre in Indonesia, containing an order to recall three noodle products. Samyang is a Korean instant noodle producer, Samyang Foods Co., Ltd. Several types of instant noodles are produced by Samyang but not all contain pork. The two types of Samyang Noodles forbidden for Muslims to consume are U-Dong and kimchi-flavoured instant noodles.

Pork products are not prohibited in Indonesia. However, the 2016 BPOM regulation states that processed foods containing ingredients derived from pork must include a special sign in the form of the words 'Contains Pork' and an image of a red pig in a box with a white background. Four products from Korea were excluded. Therefore, BPOM revoked the circulation numbers and ordered importer PT Koin Bumi to withdraw the four products from circulation (Karina 2017).

PT Koin Bumi is the importer and distributor of Samyang (U-Dong), Nongshim (Shin Ramyun Black), Samyang (Kimchi-flavored Instant Noodles), and Ottogi (Yeul Ramen) that do not include halal label. This occurred due to the absence of cooperation between Indonesia and Korea regarding halal certification (Puspita 2017). In December 2016, a joint team from the Sukabumi City Government in West Java discovered imported food products without halal labels from Indonesian Ulama Council (MUI) during a surprise inspection. The products included instant noodles, sausages, cheese, and beverages from the United States, South Korea, and France. This was immediately followed up with warnings and reprimands for supermarket management (Ramadhan 2016). The presence in supply chain in the supermarket shows a lack of concern from both management and importers in ensuring halal status of the products.

4 Contaminated Cosmetic Products in Indonesia (2018)

In 2018, BPOM found illegal cosmetic and traditional medicines (OT), containing prohibited (BD)/hazardous substances (BB) and chemical drugs worth 112 billion rupiah and 22.13 billion rupiah, respectively. Civil Servant Investigators (PPNS) of BPOM and the Bureau of Supervision of PPNS Bareskrim Mabes POLRI raided a building in Jl. Pengukiran, Tambora District, West Jakarta. Officers found 21 items (39,389 pieces) of illegal cosmetic finished products from the crime scene. Some were products widely found in the market, including Cream Natural 99, Cream Temulawak, Kelly Pearl Cream, Dokter White, SP Whitening and Anti Acne, Quine Pearl Cream, Citra Day Cream, Citra Night Cream, and La Widya Temulawak (Pusat Data dan Informasi Obat dan Makanan 2018a).

Penny K. Lukito, the head of BPOM, explained that cosmetic findings were dominated by products containing mercury, hydroquinone, and retinoic acid. BPOM also identified six types of cosmetic reported to contain BD/BB, namely prohibited dyes (red K3) and heavy metals (lead). These compounds can cause cancer (carcinogenic), fetal abnormalities (teratogenic), and skin irritation. The process is inhumane due to the use of ingredients that do not meet the standards of Good Cosmetic Production Methods (CPKB). The production location is not guaranteed to be hygienic or sanitized (Pusat Data dan Informasi Obat dan Makanan 2018b).

5 Solutions for Improving Quality Management in Halal Supply Chains Halal Standard Education

Halal standards play an important role for Muslims in discerning what is permissible (halal) and forbidden (haram). These standards are particularly crucial in countries with large Muslim populations, such as Indonesia (Salama 2017). Therefore, the availability of comprehensive halal information and clear product labeling is important to the population (Sawari & Ghazali 2014).

Indonesian Council of Ulama Assessment Institute for Foods, Drugs, and Cosmetic (LPPOM MUI) has historically overseen and regulated halal standards and certifications. However, since October 2019, the responsibility for issuing halal certificates to businesses has been

transferred to National Body of Halal Assurance (BPJPH) (Kementerian Agama Republik Indonesia 2019). Despite the shift, MUI remains a critical authority in halal certification process, as mandated by Law No. 33/2014, particularly in issuing a fatwa (Hudaefi & Jaswir 2019).

The 2018 cosmetic contamination incident exposed a lack of knowledge among business owners about halal standards and safety regulations, with some halal-certified products containing hazardous substances. However, knowledge of the product, halal labels, religious beliefs, attitudes, and pricing significantly influence consumers' purchasing decisions (Ramadhany 2024). Halal label strongly influences both brand image and consumer purchases, while product quality primarily impacts brand image without directly affecting purchase choices. Brand image also significantly drives consumer purchasing decisions (Anggadwita *et al.* 2019), showing the need for free and accessible information on halal standards available to all domestic and international producers.

As a government institution under the Ministry of Religious Affairs, BPJPH holds primary responsibility for promoting the obligation of halal certification, educating business actors on the procedures, costs, and stages of certification, and providing information services and training, as stipulated in Law No. 33 of 2014 Articles 6 and 7. Furthermore, BPJPH and MUI (through LPPOM) are the main authorities mandated to provide education on halal certification. Support from Halal Inspection Bodies (LPH), local governments, and community organizations is also crucial to ensure that education reaches all segments of society, specifically micro, small, and medium-sized enterprises (MSMEs). In this context, widespread understanding of adherence to halal standards is ensured across all sectors of Indonesian society. Intensive assistance to business actors and extensive supervision must be provided to ensure that products circulating in the market supply chain are guaranteed to be halal.

6 Internal Campaigns, Training Programs, Recognition and Motivation Strategies

6.1 Regular and Inclusive Training

Creating regular and inclusive training on halal standards in a company is important to ensure all employees are equipped with the necessary knowledge to maintain compliance. By making these training sessions a regular part of the operations, employees stay updated on the latest regulations and best practices, helping prevent non-compliance issues. Regular training enhances a culture in which halal standards are a requirement and a core value embedded in business practices, enhancing the overall quality and integrity of the products.

Inclusivity in training programs is equally important since employees from management to entry-level workers have access to the same information and learning opportunities. This method promotes a shared understanding of responsibility for halal compliance. By accommodating different learning styles and providing materials in various formats and languages, companies can effectively engage all employees, leading to a more knowledgeable and cohesive workforce. This comprehensive training strengthens the ability to consistently meet halal standards, improving the reputation and competitiveness of the market.

6.2 Internal Awards

Introducing internal awards for employees who consistently attend periodic halal standards training and effectively implement the standards can significantly increase engagement and commitment. These awards serve as powerful motivators, allowing employees to prioritize ongoing learning and rigorous adherence to halal processes. The importance of the standards is reinforced by recognizing and celebrating people who excel in maintaining halal compliance.

The awards contribute to improving the overall quality management of halal products. The acknowledgment of employees sets a positive example, leading to a more consistent and thorough application of halal standards across the board. This increased awareness and dedication among staff leads to higher product quality, greater consumer trust, and a stronger reputation in halal market.

7 International Cooperation and Standardization

Bilateral and multilateral dialogue must be initiated between regulatory bodies, industry stakeholders, and halal certification authorities to establish effective collaboration with exporting countries and balance halal standards globally (BPJPH and LPPOM MUI). These discussions should focus on harmonizing halal regulations, sharing best practices, and addressing the differences in interpretation existing between countries. By enhancing open communication and cooperation, countries can develop a unified framework for halal certification recognized and respected across borders. This method ensures consistency and facilitates smoother trade relations by minimizing the complexities of meeting varying standards.

Another key strategy is to establish joint training programs and certification processes including both importing and exporting countries. By collaborating on education and training initiatives, countries can ensure that all parties are equipped with a clear understanding of standards and

expectations. The idea of establishing halal standard education through the provision of free information, interactive platforms, and accessible offline videos must become a central topic of discussion with halal certification authorities in other countries. This focus is crucial for ensuring that all stakeholders have the resources and knowledge necessary to uphold and enforce consistent global halal standards.

Regular audits and inspections can be conducted collaboratively to monitor compliance and address potential issues before products enter the market. These joint efforts prevent non-halal products from slipping through the cracks, maintaining the integrity of the global halal market and ensuring that consumers receive products in line with the required standards.

8 Conclusions

In conclusion, the exponential growth in the global halal market, driven by Muslim population, showed the critical need for quality management within halal food and cosmetic supply chains. The challenges reported, such as the lack of awareness of halal labeling among consumers and issues of contamination in products, emphasizes the importance of maintaining stringent halal standards to ensure consumer trust and product integrity. Addressing these challenges requires a comprehensive method that comprises better education, technological advancement, and enhanced regulatory oversight.

In improving quality management, all stages of production from sourcing raw materials to distribution adhere to halal standards. This includes rigorous audits, regular training for employees, and effective internal campaigns to promote a culture of compliance. By prioritizing halal education and establishing recognition programs, companies can reinforce the importance of adhering to the standards, maintaining consumer confidence, and enhancing competitiveness in the global halal market.

International cooperation and standardization are crucial for aligning global halal standards and ensuring consistency across borders. Different countries work towards a unified framework for halal certification by engaging in bilateral and multilateral dialogues, sharing best practices, and establishing joint training programs. These collaborative efforts strengthen the integrity of the global halal market and facilitate smooth trade relations, ensuring that consumers worldwide receive products in line with halal standards.

Conflict of Interest

The authors declare no conflict of interest.

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