

The Influence of Halal Labels, Religiosity, and Producer Attitudes on Halal Certification Compliance: A Study on Micro, Small, and Medium Enterprises (MSMEs) in Lumajang Regency

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Abstract: *This study aims to analyze and test the influence of Halal Label, Religiosity, and Producer Attitudes on Halal Certification Compliance. The formulation of the problem presented in this study is, namely, whether there is an influence between Halal Label (X1), Religiosity (X2), and Producer Attitude (X3) on Halal Certification Compliance (Y). The data collection technique uses a questionnaire, distributed to MSME producers in Lumajang Regency. The questionnaire was tested using validity and reliability tests. Then the data were analyzed using descriptive statistical tests, classical assumption tests, Multiple Linear Regression analysis tests. The results of the analysis show that the Halal Label variable has a positive and significant effect on Halal Certification Compliance with a significance value of 0.105. Religiosity has an influence on halal certification compliance. This is proven by the results of SPSS 22.0 calculations. Where the significance value produced is 0.092, because the significance value is 0.05 ($0.092 < 0.05$). Producer Attitude influences halal certification compliance. This is proven by the results of SPSS 22.0 calculations. Producer Attitude variable (X3). The t-count value is 0.538 with a significance of 0.592. The results of the f test can be seen, Halal Label, Religiosity, and Producer Attitude have a significant effect on halal certification. Because the calculated F is greater than the F table ($1.796 > 2.31$) with a significance value of $0.153 < 0.05$. Then H3 is accepted and H0 is rejected*

Keywords: *Halal Label, Religiosity, Producer Attitude, Compliance, Halal Certification*

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INTRODUCTION

Indonesia is the primary focus of this study because, as the country with the largest Muslim population in the world, the demand for halal products is not only a religious concern but also an economic strength. The global sharia economy recorded a value of USD 1.5 billion.2.2 trillion in 2019/2020 and is predicted to soar beyond USD3.2 trillion by 2024. Domestically, consumption of halal products has contributed around USD220 billion per year. Therefore, the presence of halal labels and certification is crucial in building trust among domestic Muslim consumers and attracting interest from the global market (Mutmainah, 2018; Susilawati et al., 2023).

Table 1.1
Population by Religion

NO	Religion	Number of Religious Adherents	Presentation
1	Islam	207.176.162	87.18%
2	Christian	16,528,513	6.96%
3	Catholic	6,907,873	2.91%
4	Hindu	4,012,116	1.69%
5	Buddha	1,703,254	0.72%
6	Confucianism	117,091	0.05%
7	Other	299,617	0.13%
8	Unanswered	139,582	0.06%
9	Not asked	757,118	0.32%

Source :2010 Population Census Data – Central Statistics Agency

The increasing demand for halal products is not always followed by compliance with halal regulations.-Law Number 33 of 2014 stipulates that every product distributed in Indonesia must be halal certified. However, in practice, particularly among food processing MSMEs, compliance with certification remains low due to various procedural obstacles, a lack of information, and producers' perceived confusion regarding the regulations (Anggriani et al., 2024).

This condition is very relevant to the situation in Lumajang Regency, which has a Muslim population of around 1,087,267 people and more than 25,000 food processing

The Influence of Halal Labels, Religiosity, and Producer Attitudes on Halal Certification Compliance: A Study on Micro, Small, and Medium Enterprises (MSMEs) in Lumajang Regency MSMEs between 2017 and 2020. This potential has not been optimally explored because many business actors do not have official halal certification. From the perspective of consumers and producers, understanding the importance of halal certification is still weak, so consumer trust in local products is vulnerable to certified products (Anggriani et al., 2024; Alfarizi & Ngatindriatun, 2023). This can be seen in the figure below:



Figure 1.2. MSME Data in Lumajang Regency (Source: Dinkop.lumajangkab.go.id)

The importance of this research is also driven by the finding that despite high awareness of halal certification, compliance with certification remains low. For example, in Deli Serdang, only 6% of MSMEs consistently comply with halal certification regulations. The study found that knowledge and ease of procedures were the main drivers, while awareness and producer attitudes did not significantly influence compliance (Halal Compliance Driven..., 2025).

Based on the theoretical framework of Planned Behavior, religiosity, halal knowledge, and producer attitudes are important variables that potentially influence producers' decisions to undergo halal certification. A study by Widigdo & Triyanto (2024) concluded that knowledge was not directly significant on certification intention, but when mediated by compliance, its influence became significant. This finding suggests that compliance is not only an outcome but also an essential mediator in the process of intention and action.

Furthermore, literature shows that religiosity has a stronger influence on behavior than mere factual knowledge about halal. Giyanti & Indriastiningsih (2023) confirmed that religiosity drives behavior more significantly than knowledge in the context of halal consumption. This provides a strong basis for examining how producers' religiosity influences their compliance with halal regulations.

Furthermore, halal literacy has been shown to improve the knowledge, attitudes, and spirituality of Indonesian culinary MSME owners, which in turn strengthens their commitment to halal practices throughout the production chain. A study by Alfarizi & Ngatindriatun (2023) explains that halal literacy has a significant effect on knowledge

(β).=0.784), attitude (β =0.873), and spirituality (β =0.941) all of which contribute to halal compliance commitment (Alfarizi & Ngatindriatun, 2023).

Other literature highlights that the use of halal labels is not merely a product identifier, but rather a signal of quality and Sharia compliance that influences consumer purchase intentions. Susilawati et al. (2023) found that both religiosity and perceptions of halal labels have a positive and significant influence on Muslim consumers' purchase intentions for non-halal products.-halal food (Susilawati et al., 2023).

However, most research focuses on the consumer perspective rather than the producer perspective. The research gap concerns how halal labels, producer religiosity, and producer attitudes interact.-Research on the impact of certification compliance on MSMEs, particularly in local areas like Lumajang, remains very limited. This creates room for this study to make new empirical contributions.

Previous studies in West Java and major cities have demonstrated the importance of understanding regulations, procedures, and certification benefits for MSMEs. However, few of these studies have examined the simultaneous relationship between religiosity, producer attitudes, halal labeling, and compliance, especially in the context of local micro-scale MSMEs (Anggriani et al., 2024; Widigdo & Triyanto, 2024).

This study aims to explain this gap by modeling these three variables as joint predictors of halal certification compliance. Religiosity is considered an internal factor for producers, the halal label is considered a market perception variable, and producers' attitudes toward regulations are considered a dispositional variable that can moderate the relationship.

The broad objective of this research is to analyze the influence of producer religiosity, perception of halal labels, and producer attitudes on halal certification compliance among food processing MSMEs in Lumajang Regency. This research model will also examine the moderating role of producer attitudes on the relationship between religiosity and compliance.

In a scientific context, this study uses the Planned Behavior theory as a basic framework, modifying it to include variables such as religiosity, halal labeling, and producer attitudes. Thus, this model addresses the need in the academic literature to expand the application of the TPB in the context of producers and halal certification.

The hypothesis proposed is: H₁producer religiosity has a positive effect on halal certification compliance; H₂perception of the halal label has a positive influence; and H₃Producer attitudes moderate the relationship between religiosity and compliance. A variable relationship diagram will illustrate the mechanism of this interaction more systematically.

This research is also expected to provide practical contributions to local governments, certification bodies (LPPOM MUI/BPJPH), and MSMEs. By understanding the factors that encourage or hinder compliance, intervention strategies such as training, procedural socialization, and promotion of halal literacy can be designed more effectively.

Theoretically, the results of this study will enrich the literature linking religiosity, producer attitudes, halal labels, and halal certification compliance in the context of

The Influence of Halal Labels, Religiosity, and Producer Attitudes on Halal Certification Compliance: A Study on Micro, Small, and Medium Enterprises (MSMEs) in Lumajang Regency MSMEs. Previous studies have largely focused on consumers, while producer perspectives and compliance dimensions have rarely been a primary focus.

Methodologically, this study uses a quantitative approach with a cross-sectional survey design and regression analysis to examine the relationships between variables. Samples will be drawn from food processing MSMEs in Lumajang Regency, using a representative sampling technique.

Implications are that the findings of this study can provide recommendations for local policies and strategies to improve halal compliance in MSMEs, for example through more affordable and accessible certification services, halal literacy training, and producer religiosity campaigns. With this framework, this study comprehensively fills the existing literature gap, providing a theoretical and pluralistic contribution, as well as providing practical solutions to strengthen halal certification compliance in Indonesian MSMEs.

LITERATURE STUDY/LITERATURE STUDY

The halal label is an important marker for Muslim consumers when selecting and consuming products, especially food and beverages. This label represents that a product has met the halal standards set by authorized authorities, such as the Indonesian Ulema Council (MUI) in Indonesia. In the context of the global economy, halal certification is not only a religious symbol but also a strategic marketing tool that can expand the market (Rashid et al., 2020). Consumer trust in the halal label encourages producers to be more responsible in providing products that comply with Sharia principles. In Indonesia, Law Number 33 of 2014 concerning Halal Product Assurance reinforces the urgency of this label as a legal obligation, not simply an ethical preference.

Religiosity is a psychological dimension that describes the extent to which a person is bound to and practices religious values in their daily life, including in economic decision-making. Several studies have shown that the level of religiosity of consumers and producers influences their attitudes and behaviors toward halal products (Raihani & Hidayatullah, 2023). Individuals with high levels of religiosity tend to be more selective about the products they consume and produce. In the context of MSMEs, the religiosity of business actors can foster awareness of complying with halal certification as part of their moral responsibility. This internal factor is important to consider in understanding compliance with halal regulations.

Producer attitude is a producer's evaluation or assessment of a particular object or practice, reflecting their behavioral tendencies. A positive attitude toward halal certification can influence their intention and actual actions to apply for certification. According to the Theory of Planned Behavior (Ajzen, 1991), attitude is a key determinant of behavioral intention. In many cases, producers who have a positive understanding and perception of the benefits of halal certification are more motivated to comply with these obligations (Mohamad et al., 2021). Therefore, producer attitude is an essential determinant in this study.

Compliance with halal certification refers to the extent to which business actors voluntarily or due to regulatory requirements adhere to the processes and requirements established to obtain the halal label. This compliance can be influenced by internal factors such as religiosity and attitudes, as well as external factors such as regulatory pressure and market demand. A study by Shafie and Othman (2022) found that business actors'

level of knowledge and understanding of the certification process plays a significant role in increasing compliance. Compliance can also be interpreted as a form of social responsibility by producers towards Muslim consumers who have the right to receive halal assurance for the products they consume.

Several previous studies have shown a positive relationship between halal labels and certification compliance. For example, a study by Huda et al. (2022) found that halal labels increase product credibility and encourage MSMEs to be more aware of the urgency of halal certification. Similarly, research by Wahyuni & Yuniarti (2021) identified that perceptions of halal labels play a mediating role between attitudes and certification compliance. The halal label is not merely a symbolic attribute, but rather a means of reinforcing Islamic identity and values in traded products.

Regarding religiosity, research conducted by Zulkifli & Azmi (2020) shows that producers' religiosity influences their business behavior, particularly regarding compliance with Islamic law and ethics. Producers with a strong spiritual commitment tend to prioritize halal principles. This study emphasizes the importance of integrating religious values into the management of Sharia-compliant micro and small businesses.

Producers' attitudes toward halal certification have also been extensively researched. Research by Nurul & Syamsul (2021) revealed that producers' positive attitudes toward the long-term benefits of halal certification, such as increased consumer trust and global market access, are a key driver of compliance. However, several studies also indicate that positive attitudes are not necessarily followed by concrete action, particularly when producers encounter bureaucratic and financial constraints in the certification process.

Although the literature on halal, religiosity, and compliance is growing, gaps remain, particularly in the context of MSMEs in non-urban areas like Lumajang Regency. Most previous studies have focused on urban areas and the middle-to-upper industrial sector, while the realities of rural MSMEs are often overlooked (Marzuki et al., 2023). Yet, MSMEs in areas like Lumajang play a vital role in the food supply chain and local consumption.

This research also fills a gap in research that simultaneously links halal labeling, religiosity, and producers' attitudes toward halal certification compliance in the context of MSMEs. Previous studies tended to examine the relationship between only two variables or focused more on the consumer perspective. By drawing on an integrative approach based on the theory of planned behavior (TPB), this study is expected to provide a more comprehensive understanding.

This research framework is based on the assumption that halal labels, religiosity, and producer attitudes collectively influence the level of compliance of MSMEs with halal certification. These three variables are hypothesized to have a positive relationship with compliance, both partially and simultaneously. This study also utilizes the theory of Planned Behavior as a conceptual basis to explain the relationship between attitudes, subjective norms, and behavioral control on producers' intentions and actual actions in pursuing halal certification. With this approach, the study is expected to provide theoretical and practical contributions in encouraging MSMEs to comply with halal certification.

RESEARCH METHOD

This study uses a quantitative approach because the data used are in the form of numbers and are analyzed statistically to measure the influence between the variables studied, namely halal labels, religiosity, and producer attitudes towards halal certification compliance. The population in this study were micro, small, and medium enterprises (MSMEs) in five sub-districts in Lumajang Regency, with a total of 10,087 business units, based on data from the Lumajang Regency Cooperatives and MSMEs Office. The sampling technique was carried out using probability sampling with a simple random sampling method.

The sample size was determined using the Slovin formula with an error tolerance of 10%, resulting in a sample size of 100 respondents. To obtain a proportional representation of various types of businesses, a proportionate stratified random sampling technique was used. The sample was grouped into three types of businesses: snacks (83 respondents), beverages (1 respondent), and heavy meals (16 respondents), based on the proportion of each business group's population to the total MSME population.

Data collection was conducted using a closed-ended questionnaire that had been tested for validity and reliability. Data analysis was conducted through the following stages: descriptive statistics, classical assumption tests (normality, multicollinearity, and heteroscedasticity), and multiple linear regression analysis to test hypotheses and determine significant influences between variables.

RESULTS AND DISCUSSION

RESULT

Instrument Validity Test

Validity testing is used to measure the extent to which a research instrument is able to measure what it is supposed to measure. The results of the validity testing are shown in Table 1 below:

Table 1. Recapitulation of Validity Calculations

Variables	Item	Table r Value	Calculate r value	Information
Halal Label (X1)	X1.1	0.1654	0.758	Valid
	X1.2	0.1654	0.822	Valid
	X1.3	0.1654	0.754	Valid
Religiosity (X2)	X2.1	0.1654	0.612	Valid
	X2.2	0.1654	0.401	Valid
	X2.3	0.1654	0.602	Valid
	X2.4	0.1654	0.298	Valid
	X2.5	0.1654	0.243	Valid
Producer Attitude (X3)	X3.1	0.1654	0.370	Valid
	X3.2	0.1654	0.826	Valid
	X3.3	0.1654	0.461	Valid
	X3.4	0.1654	0.520	Valid
Halal Certification Compliance (Y)	Y1	0.1654	0.861	Valid
	Y2	0.1654	0.791	Valid

	Y3	0.1654	0.899	Valid
	Y4	0.1654	0.843	Valid

All statement items in each variable showed a calculated r value > r table (0.1654), thus declared valid. This means that the instrument can be used to measure the variables studied.

Reliability Test

Reliability testing was conducted to determine the internal consistency of the instrument. The results of the reliability testing are shown in Table 2 below:

Table 2. Recapitulation of Reliability Calculations

No	Variables	Cronbach's Alpha	α Standard	Information
1	Halal Label (X1)	0.675	0.60	Reliable
2	Religiosity (X2)	0.637	0.60	Reliable
3	Producer Attitude (X3)	0.745	0.60	Reliable
4	Halal Certification Compliance (Y)	0.845	0.60	Reliable

Based on the results above, the four variables have a Cronbach's Alpha value > 0.60, which means that all variables are classified as reliable.

Normality Test

A normality test was conducted to determine whether the data were normally distributed. Based on the results of the normality test using the PP Plot and Kolmogorov-Smirnov graph, the data were found to be spread close to the diagonal line and had a significance level greater than 0.05. Therefore, the research data can be said to be normally distributed.

Multicollinearity Test

This test is used to determine whether there is a significant correlation between the independent variables. The test results are presented in Table 3:

Table 3. Multicollinearity Test Results

Variables	Tolerance	VIF
TOTAL.X1 (Halal Label)	0.957	1,045
TOTAL.X2 (Religiosity)	0.918	1,089
TOTAL.X3 (Producer Attitude)	0.892	1,121

Because the Tolerance value is > 0.1 and VIF < 10, there are no symptoms of multicollinearity in the regression model.

Heteroscedasticity Test

This test was performed by examining a scatterplot graph. The results showed that the points were randomly distributed and did not form a specific pattern, indicating the absence of heteroscedasticity.

Multiple Linear Regression Analysis

A multiple linear regression model was used to determine the effect of independent variables on the dependent variable. The results of the analysis are presented in Table 4:

Table 4. Results of Multiple Linear Regression Analysis

Variables	B	Sig.
(Constant)	29,566	0.001
Halal Label (X1)	0.472	0.105
Religiosity (X2)	0.456	0.096
Producer Attitude (X3)	0.357	0.592

Based on these results, the following regression equation can be formulated:

$$Y = 29.566 + 0.472X1 + 0.456X2 + 0.357X3$$

The coefficients of the three independent variables are positive, indicating that the higher the halal label, religiosity, and producer attitudes, the higher the MSMEs' halal certification compliance. However, the significance values indicate that all three are not statistically significant at the 0.05 level, as the p-value is > 0.05.

DISCUSSION

The findings of this study indicate that the three independent variables—halal labels, religiosity, and producer attitudes—have a positive influence on MSMEs' halal certification compliance in Lumajang Regency, although not statistically significant. These results indicate that these factors remain practically relevant in building awareness and compliance with halal certification obligations, despite the presence of other factors that may be more dominant.

This research aligns with the findings of Nurdin et al. (2021), who stated that positive perceptions of the halal label drive compliance intentions with halal regulations. Furthermore, a study by Maulana and Hasanah (2020) also revealed that religiosity significantly drives compliance with religious principles in business. Meanwhile, Putri and Rahman (2022) demonstrated that ethical producer attitudes contribute to compliance with industry regulations, including halal regulations.

However, this finding differs from the study by Zainuddin et al. (2020), which found that religiosity significantly influences compliance with halal products. This discrepancy could be due to differences in respondents' demographic characteristics or halal literacy levels across the study areas.

The implication of these findings is the importance of enhancing halal education and literacy programs among MSMEs. Policies from local governments and halal certification bodies can be directed at raising collective awareness based not only on faith but also on practical incentives, training, and streamlined certification procedures.

The primary contribution of this research lies in contextualizing consumer behavior and business ethics theory within the Sharia-compliant MSME sector in rural areas. However, this study has limitations in terms of coverage and sample size. Therefore, it is recommended that future research develop a model incorporating mediating variables such as halal literacy or moderating institutional support.

CONCLUSION

This study aims to examine the influence of halal labels, religiosity, and producer attitudes on halal certification compliance. Based on the results of multiple linear

regression analysis, it is known that the three independent variables—halal labels, religiosity, and producer attitudes—have a positive influence on halal certification compliance. However, statistically, the three variables do not show a significant influence at the 5% confidence level, because the significance value (Sig.) for each variable is above 0.05. Therefore, the hypothesis stating that these three variables have a significant influence on halal certification compliance cannot be accepted in the context of this study.

Although not statistically significant, the positive relationship indicates that the higher a producer's attention to the halal label, their level of religiosity, and their supportive attitude toward halal certification, the higher their likelihood of complying with halal certification. This finding has practical implications, particularly for halal certification bodies and the government, to increase producer literacy and awareness regarding the importance of halal certification not only from a religious perspective but also as a form of moral and professional responsibility in running a business.

The limitations of this study lie in the relatively small sample size and limited geographic context, which may limit the generalizability of the findings to a wider region or population. Therefore, it is recommended that future research use a larger sample size and expand the coverage of locations to obtain a more representative picture. Further research is also expected to explore other variables that may more strongly influence halal certification compliance, such as consumer pressure, institutional support, or legal understanding of the Halal Product Assurance Law. Thus, future research findings are expected to provide a more in-depth contribution to the development of knowledge and practice in the halal industry in Indonesia.

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