

BEYOND COMPLIANCE: BAKING INGREDIENTS SUPPLIERS' INSIGHTS ON HALAL CERTIFICATION AND NON-MUSLIMS MARKET DYNAMICS IN MALAYSIA

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Abstract: *This study explores the importance of Halal certification to non-Muslim users from the perspective of baking ingredient suppliers in Malaysia. Recognising the evolving role of Halal certification beyond religious compliance, the research investigates how non-Muslims baking ingredient users adopt Halal-certified ingredients to meet consumer expectations and gain market advantages. Semi-structured interviews were conducted with twelve baking ingredient suppliers using a qualitative research design and purposive sampling. Data were extracted from the interviews, and thematic analysis was carried out to identify the themes. Thematic analysis revealed twelve paradigms of Halal certification, organized under two primary sub-themes: (1) Religious and Cultural Commitment and (2) Business Strategy and Marketability. The motivation to rely on external reputational source by these consumers varies, ranging from cultural and dietary compliance, fulfilling a moral obligation towards Muslim consumers, subsequently enhancing their business growth. From the suppliers' perspective, these insights highlight that Halal certification transcends religious boundaries and functions as a strategic and ethical business tool to business and commercial users whereas end-users use it as a reference to meet their daily cultural and dietary compliance. Furthermore, the use of Halal-certified products in their business also enhances Halal market inclusivity among non-Muslim micro-entrepreneurs. This research contributes to the understanding of Halal consumption behaviour among non-Muslims and offers new perspectives on fostering cross-cultural religious harmony through ethical food practices.*

Keywords: *Halal certification, Halal Market Dynamics, Bakery Ingredients, Muslim and Non-Muslims Suppliers*

Introduction

Halal certification has evolved to be a significant standard of food quality, safety, and ethical production for consumers, extending far beyond its traditional roots, which is to obey the Syariah law under the Islamic religious needs (Aufl et al., 2024). This has further increased the value of Halal certification, especially in countries with a vast Muslim majority. Malaysia is an Islamic country, and it consists of a multicultural and multireligious society. The Malays comprise approximately 60% of the population alongside other races such as Chinese, Indian, and indigenous communities (Department of Statistics Malaysia, 2023). Consumers associate Halal certification with high hygiene standards, ethical sourcing, and superior product quality, thus creating a broad acceptance of Halal products into the market (Farhan & Sutikno, 2024). This rich multicultural background shapes consumer preferences through diverse considerations such as cultural, religious, and health (Saleh & Rajandran, 2025).

Malaysia's Halal regulatory framework is overseen by the Department of Islamic Development Malaysia (JAKIM) and recognized for its Syariah-compliant certification processes. Since its inception in the 1970s, JAKIM has maintained rigorous standards that encompass not only religious permissibility but also ethical concerns such as animal welfare, food safety, and traceability, ensuring consumer trust and market credibility (JAKIM, 2020). Halal certification on food products is widely recognized and used by both business owners and personal consumers as an essential reference and guideline to ensure compliance with Syariah law in their daily activities (Talib et al., 2015; Ikawati & Purnomo, 2025).

The baking and pastry sector in Malaysia exemplifies the dynamic interplay of cultural diversity and economic opportunity. This industry comprises large-scale manufacturers, SMEs, home-based bakers, and individual consumers (Ibrahim & Mansor, 2021; Wan Ismail et al; 2020). Some of the businesses, especially those that are operating on a medium to small capital, rely on retail baking ingredient suppliers who provide small-quantity repackaged products tailored to low-capital buyers (Ismail & Aziz, 2020). Such repackaging practices enable small business owners, restaurant operators, and home bakers to afford access to diverse Halal-certified ingredients, facilitating market participation while adhering to cultural and religious sensitivities (Arif et al., 2021; Ibrahim & Mansor, 2021). Halal certification acts as an important sign of trust, helping consumers feel confident about products regardless of their religion, and promoting acceptance and understanding in diverse societies (Xiong & Chia, 2024).

Previous research on the Halal food supply chain has addressed several important themes. For instance, Sulai and Saidin (2023) examined critical ingredients in pastry production, while Sari et al. (2022) applied the Theory of Planned Behaviour to analyse Muslim entrepreneurs' intention to use Halal-certified ingredients. Other studies include Sucipto et al. (2022), who developed decision models for identifying Halal Control Points in bakeries, and Idris et al. (2023), who explored factors influencing customer loyalty in Halal bakeries. Wan Ismail et al. (2020) provide the closest related study by analysing end-user awareness of ingredient repackaging.

Despite these contributions, a significant gap remains in understanding the Halal baking ingredients supply chain, particularly from the perspective of suppliers. Much of the existing literature focuses on consumers, processed food industries, restaurants, or general Halal supply chain issues such as awareness, knowledge, integrity, traceability, law, and misconduct (Fauzi, 2023). However, limited attention has been given to how suppliers perceive, manage, and promote Halal-certified baking ingredients for non-Muslim clientele, including home-based

baking enthusiasts (Rizka et al., 2018; Wan Ismail et al., 2020). Addressing this gap is important, as suppliers play a central role in safeguarding Halal integrity, reducing risks of contamination or misuse of certification logos, and ensuring consumer trust in both Muslim and non-Muslim markets.

Literature Review

Malaysia's Multiethnic and Multireligious Context and the Perception of Halal Products

Malaysia is a multiethnic and multireligious nation, predominantly composed of Malays who are Muslims, alongside Chinese, Indian, and indigenous populations (Department of Statistics Malaysia, 2023). This diversity increases when multiple religions are practiced among the citizens with Islam being the majority of 63.5% of the population. Other religions follow the sequence with Buddhism: 18.7%, Christianity: 9.1%, Hinduism: 6.1%, Confucianism, Taoism, and other traditional Chinese religions: 1.3%, and no religion or other religions: 2.7% (Department of Statistics Malaysia. (2020). This majority population significantly impact the country's food consumption patterns by demanding Halal products, subsequently gaining widespread awareness beyond the Muslim community.

A study conducted and revealed that non-Muslim consumers prefer Halal-certified products due to their perceived superior hygiene and quality standards (Jafari, 2012). Halal products are viewed through this point due to their association with cleanliness and stringent production processes, making them a trusted choice across different ethnic and religious groups (Aziz & Chok, 2013). Furthermore, the rising health consciousness among Malaysians, coupled with ethical considerations regarding animal welfare in Halal food production, has reinforced this preference, aligning with the values of both Muslim and non-Muslim consumers (Abdul Latiff et al., 2016).

However, this perception is not universally shared. While some studies emphasise positive adoption among non-Muslims due to health and safety concerns (Aziz & Chok, 2013), others note hesitation arising from limited awareness, cultural distance, and perceptions of Halal as exclusively religious (Ramli et al., 2021). This tension suggests that Halal is both an inclusive quality signal and a boundary marker, depending on consumer context. Thus, the cultural and religious pluralism in Malaysia not only shapes dietary practices but also fosters a cross-ethnic consensus on the reliability and desirability of Halal products.

Malaysia's Bakery Industry – Demand and Supply

The bakery industry in Malaysia produces a variety of flour-based products, including bread, pastries, cakes, and cookies, crafted from ingredients like flour, sugar, eggs, and butter (Golon et al., 2013). Known for innovation and diverse offerings, the sector includes large commercial bakeries and an expanding segment of home-based pastry makers, especially following the COVID-19 pandemic (Linzalone & Lerro, 2021). The demand for pastry and bakery products in Malaysia is expanding rapidly, mirroring global growth in the sector, which is projected to reach USD 9.62 billion by 2030 (Marketresearch.com, 2024). Locally, the pastry market's value increased to RM13.82 billion in 2023, with products like bread and cakes becoming common alternatives to traditional staples (Statista Research Department, 2024). Consumer attitudes and social media influence have accelerated this trend, with adolescents frequently consuming sweet baked goods and viral marketing fostering widespread interest in novel pastry creations (Salleh et al., 2016). Home bakers and small-scale entrepreneurs leverage social media and

online platforms to reach customers, catering to personalised tastes and dietary needs despite often lacking formal registration and regulatory oversight (Arif et al., 2021).

The Malaysian baking industry supports various market segments, from automated commercial operations supplying retail outlets to artisanal home bakeries delivering customized orders directly to consumers (Huang & Miskelly, 2019). Home-based businesses (HBBs), prevalent among women balancing family duties, have gained prominence as a low-cost income source. During the COVID-19 lockdown, there was a significant increase in home baking activities among Malaysian consumers, with 74% engaging in baking as a healthier and more cost-effective alternative that allowed greater control over ingredients (Taste Tomorrow, 2020). This surge in home baking sparked interest in turning baking from a hobby into a source of income. Many community bakers, especially women have embraced social entrepreneurship by offering bakery products such as bread, cakes, and pastries within their local neighbourhoods, aiming to improve their standard of living and contribute to the economic prosperity of their communities (Ibrahim & Mansor, 2022). This trend highlights how home baking not only provided a creative outlet during the pandemic but also shaped economic opportunities for women in Malaysia for supplementary income streams in the Malaysian population (Ibrahim & Mansor, 2021).

Due to the increasing demand, there has been a large growth within the country for baking ingredient supplier shops to blossom (Malaysia Baking Ingredients Market (2025-2031) (Trends, Outlook & Forecast, 2025.). To support this demand, these suppliers sell Halal baking ingredients and repack them in smaller quantities to meet the buyers' needs, making them affordable and suitable for their business model (Arif et al., 2021). The act of repackaging disrupts the Halal baking ingredients supply chain because it introduces additional handling points where Halal integrity can be compromised (JAKIM, 2000). Suppliers often rely on the manufacturer's original Halal certification without obtaining separate verification for repackaged goods (Wan Ismail et al., 2020). This creates a grey area of trust, where non-compliance or negligence can occur without being noticed. Such practices undermine consumer confidence and threaten the credibility of the broader Halal ecosystem. While suppliers may view Halal certification as a strategic tool for market expansion and profitability, the absence of stringent monitoring mechanisms over repackaging raises concerns of deliberate or unintentional misrepresentation. The potential disruption lies not only in the risk of contamination but also in the erosion of trust when certification is treated as a marketing device rather than a compliance obligation. Thus, supplier perspectives emerge as a critical but underexplored dimension in safeguarding the baking ingredients supply chain.

Resource Dependency Theory and Its Application in Halal Research

Resource Dependency Theory (RDT) is a framework that explores how organisations are dependent on external resources to achieve their objectives and how they manage these dependencies to reduce uncertainty and maintain power over critical resources (Pfeffer & Salancik, 1978). RDT is one of the common theories used in supply chain studies (Alkhuzaim et al., 2023). RDT suggests that organisations operate in an open system where external resources, which include inputs such as capital, knowledge, and legitimacy, are critical for survival and success. In turn, organisations attempt to control or acquire these resources by forming alliances, complying with external demands, or altering their strategies to maintain access to these resources (Hillman et al., 2009).

The term 'reputational source' is considered since Halal certification is seen to provide a positive and engaging benchmark to the characteristics of a certified product without having to

provide any real-time visual proof to the consumer during the purchasing activity (Erdem & Swait, 2004). The term ‘external’ refers to the way Halal certification is granted, which is subjected to JAKIM’s approval to the product, and it is not applied internally – from the premise itself and it is widely viewed as a significant boost to consumer’s trust compared to uncertified claims (Lada et al., 2009). Halal certification serves as an external trust signal that assures consumers of a product’s authenticity without requiring direct inspection. Since consumers can’t visually verify Halal compliance at purchase, the certification itself becomes a reputational shortcut, enhancing brand trust and resonance (Keller, 2001). Since Halal status isn’t visually verifiable, consumers rely on brand performance and brand imagery. A strong Halal certification creates a mental shortcut—consumers don’t need to question the product’s legitimacy, freeing them to focus on emotional connection. Ultimately, the function of halal certification as the external reputational source where suppliers use it as a dependence to their business increase the brand resonance to non-Muslim consumers to increase buying activity.

Halal Branding and Its Effect on Consumer Decision-Making

Halal branding via halal certification has become a powerful tool in consumer marketing as it creates a presence of trust on products by projecting signals, influencing purchasing decisions not only among Muslim consumers but also to others as well (Wilson & Liu, 2011). Non-Muslim consumers view Halal certification as an indicator of ethical business practices, which include transparency in sourcing, ethical treatment of animals, and adherence to proper hygiene standards throughout the supply chain (Khan et al., 2022). Studies have shown that Halal branding enhances consumer confidence and increases the perceived value of a product (Wan Ismail et al., 2020). Halal certification is seen not only as a religious sign but also as a guarantee of product quality, attracting non-Muslim consumers who are increasingly conscious about the ethical and hygienic standards of the food they purchase (Bonne & Verbeke, 2008). Moreover, the integration of Halal certification and branding into non-food sectors such as cosmetics and pharmaceuticals reflects its growing significance as an inclusive and ethically grounded business approach. (Jaffar et al., 2024). Most individuals tend to adhere to the cultural and religious values of their country of origin, which in turn shapes their attitudes and behaviours toward food consumption (Zhang et al., 2022). In a Muslim-majority market like Malaysia, the consistent visibility of Halal-certified goods has gradually influenced non-Muslim consumers, who are becoming more accustomed to and accepting of these certifications as part of their daily purchasing experiences (Hassan & Hamdan, 2013).

Non-Muslim Perceptions and Preferences Toward Halal Food

In Malaysia, more and more non-Muslim consumers are positively embracing Halal-certified products, often highlighting food safety and quality as their main reasons for this choice (Azam and Abdullah, 2020). Research by Golnaz et al. (2010) indicates that many non-Muslim shoppers see Halal certification as a guarantee of product integrity, emphasizing food hygiene and ethical production practices rather than religious implications, while Teng et al. (2013) found that non-Muslims not only understand Halal principles but also actively seek out Halal-certified products due to their belief that these items meet strict safety and quality standards. Halal products are often perceived as natural, fresh, and minimally processed, leading many non-Muslim consumers to equate them with organic or vegetarian options and regard them as healthier alternatives to conventional products. This perception drives health-conscious non-Muslims to intentionally seek out halal products for their perceived wellbeing benefits (Maysyaroh & Akbar, 2021; Calder, 2020; Lim et al., 2022).

On the other hand, a systematic literature review study has identified several themes regarding non-Muslim hesitance towards Halal food, which is in contrast to the positive feedback from the above studies (Ramli et al., 2021). Factors such as negative attitudes, a perceived lack of control over purchasing choices, limited social influence, and worries about food safety contribute to this reluctance (Ramli et al., 2021). The samples in the study view Halal products as primarily religious, which can lead to feelings of unfamiliarity and hesitation. Furthermore, issues like low awareness of Halal certification, doubts about product quality, and inadequate marketing efforts add to their uncertainty (Ramli et al., 2021). Cultural differences also play a significant role, with some non-Muslims perceiving Halal foods as intended mainly for Muslim consumers, which diminishes their willingness to purchase. This study is significant as it delves into exploring how Halal certification shaped either positive or negative perceptions among non-Muslim consumers in the retail baking industry.

Methodology

Research Design

This study employs a qualitative exploratory design using case study approach to understand non-Muslim consumer perceptions of Halal certification in the context of baking ingredients in Malaysia. The study adopts the interpretivist paradigm, which focuses on understanding the subjective meanings and experiences of participants, aiming to explore non-Muslims perceptions on Halal certification products (Crotty, 1998). A homogenous purposive sampling approach was used to select 12 baking ingredient suppliers with minimum of one-year managerial experience serving both Muslim and non-Muslim customers. These participants were specifically chosen because of their daily routine involves directly to the customers and they have direct relationship with the customers (Palinkas et al., 2015). The research flow is adopted from Onwuegbuzie & Frels (2013) because of the qualitative nature that implies the case study method and informant interviews for data collection. The efficacy of semi-structured interviews in qualitative research, specifically for assessing managerial roles in their services, because this approach enables them to pose specific inquiries while still being adaptable to unforeseen revelations (Adeoye-Olatunde & Olenik, 2021).

Data Collection

Semi-structured interviews with a guide of interview protocol were conducted with the selected suppliers to gain in-depth insights into their experiences and perspectives. Interview protocols were developed using a narrative inquiry technique and research topic analysis as it helps the informants to establish a personal experience as the foundation for the discussion (Swap et al., 2001). The semi-structured format allowed for flexibility, encouraging participants to share their views freely while ensuring that key topics such as Halal certification and consumer perception is explored (Hunter, 2012). The data-gathering methodology for this research relied on semi-structured interviews, and questions were exclusively formed and tailored to understand the study's situation.

Prior to the interviews, thorough preparation was essential to ensure effective and efficient data collection. This included scheduling and scouting suitable locations that were quiet, private, and comfortable for in-depth discussions, as well as conducting preliminary surveys to gauge potential participants' interest and availability, which helped build rapport and trust. Necessary equipment such as notebooks, microphones, and digital recorders was prepared, and confirmation messages were sent to informants with details of the interview date, time, and

place. The researcher clearly explained the informed consent to informants before starting, ensured their voluntary participation, answered questions, and obtained signed consent forms. Choosing the right location and timing was vital to maintain confidentiality and minimize distractions. Interviews took place in private, quiet settings like offices or reserved rooms, and at times when participants were least likely to be interrupted or preoccupied.

Accurate recording was key to data integrity. Researchers sought explicit permission to record, reassured participants of confidentiality, checked all recording equipment beforehand, conducted test recordings, and used backup devices to avoid data loss. Following these structured procedures ensured a systematic, ethical approach that enhanced the reliability and validity of the qualitative research findings.

Data Analysis

The data collected from the interviews were transcribed and analysed using Braun and Clarke's (2006) six-step thematic analysis method, which involves familiarization with the data, generating initial codes through open coding, identifying underlying meaning through axial coding, searching for themes, reviewing themes, defining and naming themes, and writing the final report.

Reliability and Validity Issues in Qualitative Research

To enhance reliability and validity in qualitative research, a detailed audit trail was maintained. This involved systematically documenting all research steps from data collection to analysis, to help ensure transparency and accountability. The audit trail allowed the researchers to track decisions, changes, and emerging themes throughout the study, providing a clear, traceable path that supported the credibility and trustworthiness of the findings (Bowen, 2009).

Member checking was also conducted by involving participants directly in the verification process. Researchers returned transcripts or preliminary findings to participants, allowing them to confirm accuracy, clarify statements, and provide additional insights. This feedback loop strengthened the authenticity of the data and ensured that interpretations genuinely reflected participants' perspectives, enhancing the overall trustworthiness of the research (Cresswell, 1998).

Lastly, theory triangulation was applied by using multiple theoretical frameworks to interpret the data, enriching the analysis with diverse perspectives (Denzin, 2011). This research uses Resource Dependence Theory (RDT) as the main reference for theory triangulation. Triangulation helps the researchers examine complex phenomena from different angles, reducing bias and deepening understanding. This multifaceted approach strengthened validity by demonstrating how various theories converged or diverged in explaining the data, resulting in a more comprehensive and balanced interpretation.

Findings and Discussion

Twelve informants were interviewed, and the data were recorded, transcribed and coded to explore emerging themes. Through theory triangulation, the findings of this study demonstrate that Halal certification is viewed as an External Reputational Source that provides reference and also act as a tool to convey trust to customers.

The transcribed data were systematically grouped to identify underlying meanings, which then form the sub-themes and overarching themes of this study as shown in Table 1. This study

revealed two sub-themes regarding the role of Halal certification in attracting non-Muslim buyers-specifically to individual end-user and commercial and business users (home-bakers and SME business owners). The sub-themes are- 1) Religious and Cultural Commitment and 2) Business Strategy and Marketability. As shown in Figure 1, these sub-themes were contributed by axial codes such as Shariah compliance, moral obligation and cultural dietary compliance for sub-theme 1 and market reach, business sustainability and perceived value for sub-theme 2.

Table 1: List of words in open coding extracted to form axial coding and sub-themes.

Open coding	Axial Coding	Sub-Theme
Islamic rules, pork-free, alcohol free, Haram avoidance, Haram Contamination	Shariah compliance	Religious and Cultural Commitment
Supply for Muslim's customers, avoid manipulation,	Moral obligation	
Vegetarian, Indian, Avoid meat	Cultural & dietary compliance	
Business opportunity, supply for non-muslim's business, tackle market, Malay customer, Muslim customer, Indian customer	Market reach	Business Strategy and Marketability
Increase sales, increase profit, business survival	Business sustainability	
Premium, quality, health benefit, expiry date, good product, pure, trusted brand	Perceived value	

Sub-theme 1: Religious and Cultural Commitment

The informants emphasised the significance of Halal certification as a representation of religious compliance and cultural reference among non-Muslim consumers utilising Halal-certified baking ingredients. This sub-theme comprises of three axial codes: a) Sharia compliance, b) moral obligation, and c) cultural dietary adherence. This sub-theme projected a two-way interpretation. Firstly, from the individual end-user perception, as they looked for these characteristics to meet their daily needs based on their religious or cultural view. Secondly, for commercial and business users, it is used as a trust signal with the intention to provide information to the consumer about their religious and cultural needs, which will subsequently influence purchase.

Shariah compliance

Shariah compliance means the adherence to the Islamic religious law (Yahaya & Ruzulan, 2019). Suppliers indicated that non-Muslim entrepreneurs, especially those manufacturing pastries for sale, are diligent in avoiding prohibited items such as pork and alcohol. Their understanding of Syariah law requirements to authentically serve Muslim consumers not only protects their market standing among the Muslim community but also demonstrates respect for Islamic dietary restrictions, highlighting a sort of religious accommodation and sensitivity that surpasses the consumers' own beliefs.

Informant 8

"Nowadays, there are a lot of Chinese do the baking business, they also look for Halal ingredients. Because aaa... their customers are Malays, sometimes when they come to the shop, they will immediately ask whether Halal or not... Because they say their customers will ask about the brand that is used to make the product... even though they are not Muslim, they know that Halal certification is important for Muslim consumption..."

Informant 11

“Yes, there are non-muslims who ask about this, especially when they are doing business. For example, if they open a restaurant, or they sell their products to Muslims... they will ask and ask for Halal certification.”

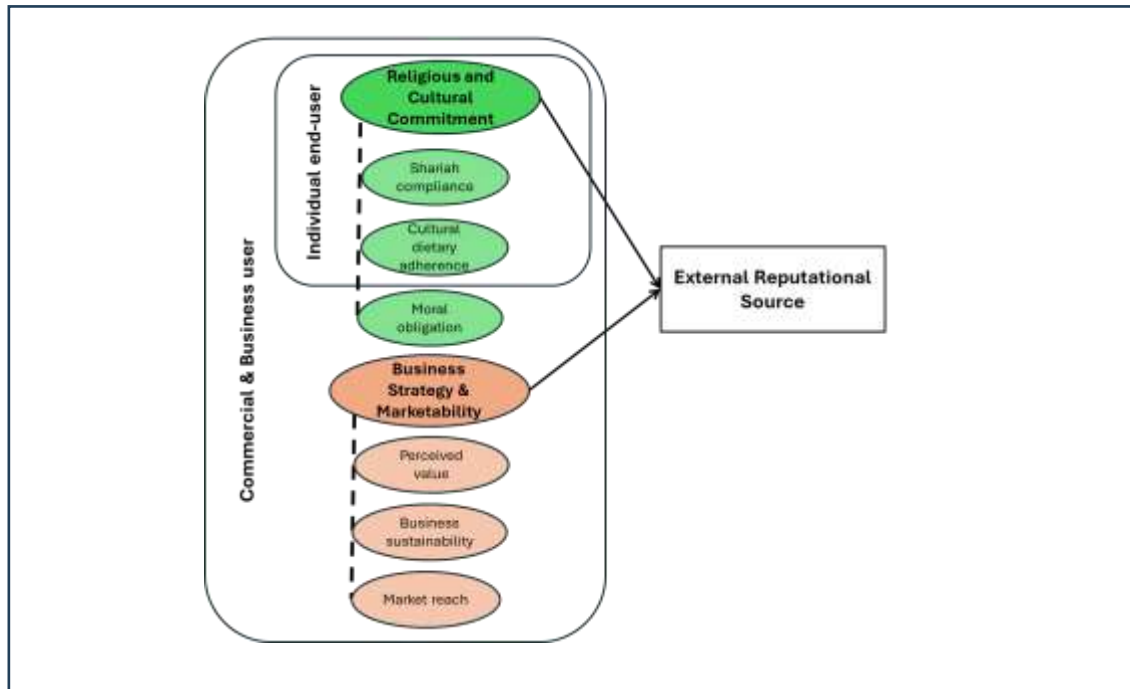


Figure 1: Themes emerged from this research.

Whereas end-user non-muslim consumer refers to Syariah law in which they see that similarity exists in relationship to their cultural and dietary needs.

Informant 1

“Some of the Chinese do care about this because some of them do not consume pork...so when they see Halal, they already know...Muslims don’t eat pork...”

Informant 7

“Usually, customers want to know what is inside it. Because some of our Malay friends cannot accept certain ingredients...same goes to our Indian friends...they want to see what is inside, they refer to Halal...”

Cultural Dietary Compliance

The second axial code is cultural dietary compliance, which emphasizes that specific non-Muslim individual end-users, especially those from Indian and vegetarian background where they employ Halal certification as a pragmatic reference for their dietary selections. Tamil educated Hindus in Malaysia follows an ethical proverb in Tamil Tirukkural as a way of life where they believe in Kollaamai which means avoidance of killing and practice vegetarianism and Brahmin, pandaaram and saiva vellaalar are occasionally vegetarian(Subramaniam, 2011). While a significant number of Buddhists, mainly among the Indian and Chinese communities may practice vegetarianism or avoid certain meats due to religious principles like non-violence(ahimsa)(Phelps, 2004). Consumers regard the Halal emblem as a trustworthy symbol

of permissible food, as Halal goods eliminate pork and other prohibited foods, aligning with their cultural or religious dietary constraints.

Informant 1

“Some of the Chinese do care about this because some of them do not consume pork...”

Informant 6

“...but also Indians and Hindus.. because they cannot take meat right for example pepperoni mix with meat.. Indians wont buy it also.. they use Halal certification as the first thing to refer to...”

Informant 11

Mostly Indian prefer this because they are vegetarian... to avoid meat and pork..

Informant 12

There is also Indian customer, they look for Halal to avoid meat...usually pork.

The crossover application of Halal certification indicates its functional extension from a purely Islamic requirement to a more expansive cultural dietary framework, demonstrating how Halal certification serves as an inclusive instrument for various communities in pursuit of reliable food standards (Golnaz et al., 2010).

Moral Obligation

This axial code was extracted and refers only to the business and commercial users but falls under sub-theme 1 as illustrated in figure 1. Non-Muslim business owners perceive an ethical need to uphold transparency and honesty in their product offers due to Malaysia's multicultural environment. Suppliers reported that numerous non-Muslim business proprietors intentionally utilize Halal-certified components to significantly demonstrate adherence when queried by Muslim patrons. This sense of accountability transcends financial interests; it embodies an internalized value system in which the provision of Halal certification is regarded as an obligation to maintain integrity and reliability. The ethical duty thus transforms into a social compact, promoting respectful business-consumer connections within Malaysia's diverse community (Ustadi & Osman, 2019). This growing awareness may be influenced by cultural assimilation in Malaysia, where exposure to halal products encourages non-Muslim consumers to purchase them. A non-muslim business owner ventured into Halal industry to suffice the market needs (Ustadi et al., 2019) and acculturation only expands their ethical standards but not their preference in making purchase decision (Farhan & Sutikno, 2024)

Informant 7

“Usually, customers want to know what it is inside. Because some of our Malay friends cannot accept certain ingredients... same goes to our Indian friends... they want to see what is inside, so they refer Halal...”

Informant 8

“They say, I don't want to have hard time explaining to Muslim customers, so I better straight away use certified products. The customers will not hesitate to buy. So, business users usually want to find a safe way to sell their products... even though they are not muslim, they also know the importance of Halal to muslim customers.”

Informant 11

“They feel that they are responsible to use halal ingredients for Muslim customers... sometimes I, as a Muslim, also ask...Can Muslims eat your product? If they say okay, I will buy from them... It's also because we also want to try their products.”

Collectively, these sub-themes demonstrate that Halal certification represents a multifaceted interaction of religious devotion, ethical accountability, and cultural adaptation among non-Muslim consumers in Malaysia.

Sub-theme 2: Business Strategy and Marketability

The second sub-theme identifies Halal certification as a strategic business approach utilized by non-Muslim baking entrepreneurs to improve marketability and sustainability. This theme encompasses the axial codes of a) business sustainability, b) perceived value and c) market reach.

Business sustainability

Business Sustainability illustrates the strategic integration of Halal-certified ingredients to engage Malaysia's significant Muslim consumer market. The view of Halal certification as a sustainability instrument aligns with existing literature that highlights Halal branding as a competitive edge in diverse markets (Wilson & Liu, 2011). Suppliers indicated that non-Muslim commercial end-users acknowledge the economic benefits of providing Halal-certified products, as this strategy allows for customer base diversification and enhanced sales. This business insight shows that Halal certification is not just a religious requirement but a crucial element for sustaining long-term commercial success.

Informant 1

“Halal-certified products helps to create trust among customers. When they trust the business, it helps the business to grow...”

Informant 4

“...when a product is Halal, for Muslim aaa... they are confident to buy...
...for business people aaa... especially my customer café owner la...they need Halal ingredients because they have Malay customers...Muslim customers always ask about Halal before they buy from a non-Muslim café...always, if they don't have Halal, customers will not come...”

Informant 5

“Of course...Halal certified products help to increase profitability and then help to sustain the business.”

Informant 7

“Yes, I think so... it widens the business target market... Malay also can buy from them...so they can sell a lot more...”

Perceived value

Providing value or perceived value is a core principle of marketing activity and a significant source of competitive advantage (Woodruff, 1997). In Halal marketing, consumers' subjective evaluation of the advantages of Halal goods or services concerning their price is known as perceived value. Suppliers observed that the presence of the Halal logo on products provides non-muslim business end-users with assurance regarding ingredient authenticity and

compliance with Shariah standards, which is seen as meticulous and rigorous to them. This accreditation offers non-Muslim entrepreneurs' tangible proof of their commitment to quality and ethical standards, which may be leveraged in marketing communications to differentiate their products in a competitive market (Aziz & Chok, 2013). Certain non-Muslims intentionally select Halal food products due to their belief in its health benefits (Wibowo et al., 2020). Product quality, price, availability, and safety significantly influence purchasing intention (Lim et al., 2020). A study by Ustadi & Osman, (2019) showed that over 50% of non-muslims manufacturers interviewed prioritized quality considerations above Halal and price considerations.

Informant 1

"...Yes, they choose because they want a premium quality product. And most of them see it as a strong hygiene standard and also for safe consumption."

Informant 3

"Yes, halal certification does help to build customers confidence on product. For some people, if there is logo, they buy, if not they will not buy."

Informant 7

"Halal certification means the product is made of high-quality ingredients... usually customers want to know what is inside it."

Informant 12

"customer wants a Halal-certified product because they want a clean food... and to get Halal certification is not easy, a lot of procedure need to follow..."

Market reach

Market Reach illustrates how Halal certification broadens business opportunities by allowing non-Muslim sellers to engage with a larger and more diverse customer base. Suppliers noted that Halal certification facilitates access to Malay/Muslim consumers who may otherwise refrain from purchasing products lacking this assurance. The increased acceptance integrates non-Muslim business users into the Halal economy, promoting inclusivity and cross-cultural commerce. Halal certification serves as a bridge in Malaysia's multiracial society by enabling the cross-marketing of products to both Muslim and non-Muslim consumers, thereby enhancing market penetration and economic collaboration (Aziz & Chok, 2013).

Informant 1

"Halal certified products help to increase sales, they say when they use Halal products, they can sell to Muslims as well..."

Informant 4

"Usually for café owners, business owners they need Halal-certified products... when they want to be Halal certified, they ask from us.. it is a sign of assurance that their product is Halal for Muslim customers..."

Informant 7

"Some Chinese ask for this Halal certification because they do business right... and they target Malay industry... so they need the Halal-certified products.. and Indians also do the same thing.."

Informant 10

“They choose Halal certified products because their customers are also Muslim... and they care about their customers' need...if not Muslims cannot eat...”

These findings reveal Halal certification as a dual-faceted phenomenon in the Malaysian baking industry, encompassing both religious-cultural significance and strategic business utility. The incorporation of Halal certification into non-Muslim business practices demonstrates its ability to influence consumption behaviours, ethical frameworks, and market dynamics. Halal is a conventional credibility attribute, representing an invisible and intangible quality (Verbeke et al., 2013). This corresponds with contemporary research identifying Halal certification as a developing notion that extends beyond religious boundaries, emerging as a universal indicator of quality, trust, and inclusivity in various consumer markets (Aziz & Chok, 2013; Wilson & Liu, 2011). The results verify earlier research indicating that Halal food is progressively acknowledged as a representation of ethical production and quality assurance, extending beyond the Muslim customer demographic (Farhan & Sutikno, 2024; Ustadi & Osman, 2019).

Conclusion

This study found that Halal certification exerts an enticing effect on non-Muslim buyers. From the perspective of baking ingredient suppliers, Halal certification represents trust, quality, health, and ethical standards that transcend Islamic religious and cultural requirements, thereby appealing to non-Muslim consumers. Many of these consumers, who are engaged in the food industry as restaurateurs, café owners, bakers, or home bakers, benefit from using Halal-certified ingredients as it allows them to expand their market reach to Muslim consumers and others with special dietary needs, such as vegetarians. In Malaysia, the Muslim and Malay population predominantly relies on JAKIM's Halal certification as a daily reference for food consumption. Consequently, the ability to serve this market segment significantly enhances sales, profitability, and long-term business sustainability. This mutual trust between suppliers and consumers fuels the growth of the Halal market, creating a dynamic ecosystem where compliance, quality assurance, and consumer expectations continuously interact. Together, these factors shape the Halal market's dynamic nature, where certification acts as a catalyst for market expansion, innovation, and competitive advantage. The study fills a research gap by highlighting how Halal certification not only fulfils religious and cultural obligations but also serves as a strategic tool that drives business sustainability and supports the evolving Halal market ecosystem in Malaysia. As Malaysia is moving towards a digitalized economy transition, Halal certification should lead the supply chain using blockchain-enabled traceability system, mobile Halal verification apps, and trusted online ingredients sourcing platform. This enhanced digitalized system should provide transparency, reduce ambiguity, and streamline Halal compliance which will be convenient to both supplier and consumer. Future research should investigate how digital platforms influence Halal perception and trust among baking ingredients consumers, particularly home-bakers and micro-entrepreneurs who increasingly rely on online channels for sourcing and selling. Another interesting topic to venture into is on the motives of repackaging activities of Halal products within the retail baking ingredients shops and their hesitance towards the application of Halal certification for their own premises.

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