



AWARENESS OF SUPPLY CHAIN ON HALAL AMONG INDIAN MUSLIM MANUFACTURERS: A VIEW POINT SURVEY

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Abstract

Aim- *The aim of this research is to be acquainted with the awareness and adoption of Halal supply chain among Indian Muslim manufactures for transportation and warehouse activities from the perspective of Halal supply chain service providers.*

Methodology- *A total of 40 respondents were selected for the study from the State of Andhra Pradesh in India by purposive sampling method of which 20 each from transportation and warehousing companies. Focus group semi-structured interviews were conducted to garner the required information from the selected two classes of respondents.*

Findings- *A total of 70 and 80 percent of respondents from the transport and warehousing companies respectively agreed that they know only about Halal but don't have any exposure and ken on Halal supply chain. The results showed that adoption rate for Halal transportation and Halal warehousing is almost zero. And only 80 and 90 percent of the selected two classes of respondents respectively are intended to know about Halal supply chain.*

Keywords: *Halal, supply chain, transportation, warehousing, India.*

1. Introduction

In today's extremely competitive business milieu, companies are in quest of finding the crucial flourishing strength in the organization to hang around with perfect full-fledged competitiveness in every possible facet. For that reason, supply-chain is an activity which can be considered by almost all companies in every kind of industry from the core to services. In the last two to three decades, radical changes have taken place in the country's supply-chain system with the introduction of technology. Increasing trend of population in general and Muslim population in particular and awareness about Halal products in India leads to tremendous potentiality for Halal based activity. As per the researchers (Christopher, 1988; Van Amstel & Van Goor, 2001; Van Assen et., al., 2010) as cited by Tieman (2012) Halal needs a supply chain approach where the value chain and its supply chain activities totally align with the Shairah requirements. The Islamic community should use only permitted things, food or actions permitted as per Qur'an which are garnered through the Halal supply chain services.

2. Literature Review

2.1 Halal and Halal Supply Chain

Halal is an Arabic word derived from the verb *Hala* which bears the meaning of "opening a node, unwind, unscrew, unravel, untangle, disentangle, disengage, or resolving something". In Islamic concept, its definition is "things, food, or actions permitted by God's will or instruction, clean, pure, and opposed to Haram" (Al-Jallad, 2008) (Malboobi & Malboobi, 2010) (Latif, 2011). It is essentially a way of life which is not solely confined to the types of food that a Muslim is allowed to consume (Mohamed et al, 2012). . According to Talib et al., (2013) transportation activity in Halal services plays a vital role and is also the stage where cross contamination may happen between Halal and non-Halal. The Muslims have been identified as an untapped and viable market which ultimately roots from their growing demographics and success of Muslim entrepreneurs ultimately linking Muslims with visible purchasing power (Sandikci, 2011). The 2011 religion census data also shows that the share of Muslims in the population has risen from 13.4 per cent in 2001 to 14.2 percent with some border states showing a high increase. The researchers evidently observed that this exploratory study is the first gallant effort in the country where awareness and adoption levels of Halal products and services. Though India is a second largest market and also second largest Muslim populated country in the world, there is no confident adoption and awareness about Halal products by the Islamic community.

3. Methodology

In view of the fact that Halal supply chain is a absolutely innovative approach in the Indian supply chain industry without any such service providers to get a better understanding on the chosen subject matter for research. The researchers have selected a sample of 20 transport and another 20 warehousing companies by applying a purposive or judgmental sampling technique. Semi-structured personal interviews were conducted with both the higher and middle level executives who have a vast knowledge and experience regarding supply chain issues from the chosen two classes of respondents spread-out in the coastal districts of Andhra Pradesh. The researcher acts as a moderator in the focus group to garner the data relating to awareness and



adoption of Halal and Halal supply chain services through initiating the discussion by raising both closed-end and open-end questions.

4. Results and Findings

In the selected sample, 80 and 90 percent of transport and warehousing companies respectively stated that they know only about Halal but not Halal supply chain. Beyond that 100 percent chosen respondents utterly said that they never heard about Halal supply chain. Some of the supply chain service providers thought that adopting Halal supply chain in India has severe obstacles like lack of awareness and understanding about Halal, lack of pressure from competitors and consumers, non-accessibility of Halal products and services. In the focus group interactions, majority of the service providers reiterated that customization of their services to the Muslim community definitely enhances their firm's profit picture for which it is an crucial situation to learn about Halal services.

5 Conclusion

Halal and Halal supply chain is a novel approach to a country like India which increases the lifespan of people by using only permitted Halal products and services as per the Islamic law Syariah. The trend of using exclusively Halal based things, food and actions one side proffering enormous business opportunity to manufacturers and service providers and another side it gives greater satisfaction in following Islamic principles. The focus group semi-structured interviews confirmed that apparent benefits only instill consumers for adoption.

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