

Halal as a Distinct Competitive Edge for Islamic Higher Education in the Millennial Generation

Abdul Matin bin Salman^{a,1,*}, Nur Rohman^a, Abd. Halim^a, Muslimah Susilayati^b

^aThe State Islamic Institute of Surakarta, Central Java, Indonesia

^b Salatiga State Institute for Islamic Studies, Central Java, Indonesia

¹abdulmatin693@yahoo.com

* corresponding author

ARTICLE INFO

Article history

Received June 05, 2019

Revised August 31, 2019

Accepted November 02, 2019

Keywords:

competitiveness distinctive

halal concept

islamic higher education

millennial generation

ABSTRACT

Increasing demand for halal products worldwide is one of the most prominent indicators of rising awareness of the Islamic halal concept. Thanks to increasing awareness of the benefits of halal, the concept has become a global trend in the Millennium era. Muslims are required to master the foundations of the concept of halal from the al-Qur'an and hadith, as well as its implementation in Maqasid Shariah and sciences. Mastery of halal concepts by the millennial generation can improve the competitiveness of the nation. Therefore, Islamic higher education can be seen as a significant platform for increasing halal knowledge and awareness in the millennium generation. Halal trends knowledge can provide a competitive edge in preparing the millennial generation for the increasing demands of the halal market. **Purpose** - This study aims to determine the implementation of *halal* as a distinct competitive advantage in Islamic higher education in preparing the millennial generation at The State Islamic Institute of Surakarta, Indonesia. **Design/methodology/approach** - The research used quantitative and qualitative methods (mixed method). Quantitative data was collected by giving out questionnaires to final semester students. Qualitative data was obtained from interviews with campus program planners. Data was analyzed with descriptive statistics before being interpreted. **Findings** - The results showed that 72.9% of students had studied the *halal* concept, 83.3% of students were able to identify halal products from MUI labels, and 45.8% understood the concepts of the *Maqasid Shariah*. Institutional development in halal understanding and awareness is ongoing through establishment of the *halal* study center and halal research center in collaboration with various parties.

This is an open access article under the [CC-BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) license.



1. Introduction

The Pew Research Center Research Report (2017) reports that the world's Muslim population reached 1.6 billion in 2010. This number is expected to increase to 2.67 billion by 2050, an average percentage of 29.7% of the total world population. This indicates that Muslim demands in various fields and aspects will continue to increase. One of the Muslim world's concerns is halal products. Halal product campaigns have been the focus of the world community for several decades, and Indonesia is no exception.

According to Nasaruddin Umar, Indonesia is serious about positioning itself as a global halal center and a pioneer in the globalization of halal certification. Halal campaigns have been carried out by the Indonesian Institute for Halal Certification, Lembaga Pengkajian Pangan, Obat-obatan, dan Kosmetika Majelis Ulama Indonesia (LPPOM MUI) to disseminate information to the public regarding halal certified products. LPPOM MUI has participated actively in the Indonesia Halal Expo (INDHEX) for three consecutive years in 2011, 2012 and 2013. Hence, the need for a comprehensive understanding of halal products is an important issue that must be addressed by the Muslim community, especially scholars involved in education.

Islamic Religious Colleges are one of the main partners of Muslim scholars in Indonesia. They play a major role in providing correct knowledge of Islamic concepts and hence must be sensitive to the issues of halal awareness and understanding. Mastery of the concept of halal both in the perspective of Islam and science and its regulations is an urgent need and can be an important response to the needs of the community today.

The opportunities present in the halal product market are still wide open for the Indonesian Muslim community. The need for authentic product safety and halal status increases as the quality of life physically and spiritually increases. Hence, safety and halal standards have been established nationally, regionally and internationally to answer to increasing global needs.

Demand for halal products continues to increase today not only from Muslim-majority countries, but also non-Muslim majority countries. Halal transaction values have reached USD 632 billion per year (Times, May 2009). In Southeast Asia, more than 250 million people are Muslims. Malaysia, Indonesia and many other countries mandate to import halal certified products. In these countries, halal is a symbol of overall quality for both Muslims and non-Muslims. In a research report, the global halal market value estimated at USD 3.6 trillions is expected to increase to USD 5 trillion by 2020. The halal food product sector specifically is expected to reach more than USD 1.6 trillion in 2018.

The data indicates a global awareness and demand for halal products. PTKI as a platform for Islamic teaching needs to ensure that prospective graduates truly master the theoretical and practical concepts behind halal products and their regulation through research, teaching and practice in the field. This study looks at the level of understanding and strategies of the IAIN Surakarta campus as one of the PTKIs that plays an active role in creating responsive scholars who actively participate in solving problems faced by the community, one of which is the issue of halal products in various forms. This study aims to answer two questions: First, what is the level of understanding of the millennial generation (Y) with regards to halal products; and Second, what is PTKI's strategy in responding to the issues of halal product development?

2. Literature Review

The study of halal products is indeed an interesting theme in recent years, as evident in the number of scholars engaging in halal research. One important literature in the discussion of halal products is the work of Johan Fisher entitled "Proper Islamic Consumption", which discusses the emergence and rise of Muslims in Malaysia, which encouraged a lifestyle that prioritized halal. This formed a new culture in Malaysian society. The rising interest in halal lifestyle encouraged the 'halalization' of many products.

Johan Fisher in "Halal Branding: A Photographic Essay on Global Muslim Markets" mentions that halal standards are commonly associated with meat from slaughterhouses and food products. Several Muslim countries have their own authorities and institutions that are involved in halal certification. Food producers from developing Muslim countries have mostly focused on food appearance and aesthetics to market their foods to the public instead of halal status.

In the work "Comparative Performance of Islamic Sharia banking in Asia with the Islamic Maqasid Approach" by Rilanda Adzhani, the author criticized the measurement of Shari'a banks' performance using performance indicators used in conventional banks. Rilanda in his writing mentioned the need to measure performance of Shari'a banks or Shari'a products differently from conventional banks and products. The indicator used should be the Maqasid al-Shari'ah, which

according to Abu Zahara as quoted by Rilanda, make up at least three goals: firstly, the aspect of Tahdib al-Fard (Individual Education); secondly, the aspect of Iqamah al-'Adl (Formation of Justice), and thirdly, the aspect of Jalb al-Maslahah (Public Interest). These three objectives are explained in detail in the context of Shari'a banking as follows: for the first aspect (Tahdib al-Fard), Shari'a banking must aim to provide knowledge and establish spiritual values in the consumer. In this case, Sharia bank developers must disseminate knowledge to introduce moral-spiritual values to consumers based on Islam (Shari'a). For the second aspect (Iqamah al-'Adl), Shari'a products (halal) must be able to convince consumers that the products offered have values of justice in the production process, price, quality, and conditions of the contract. In addition, Shari'a bank developers must be able to ensure that the every aspect of the product is free from elements that are against Islamic principles, such as usury, corruption, fraud, and wealth inequality. For the third aspect (Iqamah al-'Adl), Shari'a bank developers must have a priority scale to ensure that the product is beneficial to consumers. Rilanda's work is focused on Islamic banking and does not include halal products; however, the goals of Maqasid Shari'ah can be applied to other Islamic products .

Another article related to Islamic Hospitality is the work of Marcus L. Stephenson , entitled "Deciphering" Islamic Hospitality: Developments, Challenges, and Opportunities". In this article, Marcus discusses the principles of Islamic hospitality and its growing application and development in the Islamic world. In this study, the traditional understanding of halal is used i.e. halal is everything that is permissible in Islam. Although Stephenson discusses Islamic hospitality in depth, it was neither directed in the perspective of the millennial generation, nor how Islamic higher education can respond and prepare for it.

2.1. The Millennial Generation

Several theories with differing views are available on the development and division of generations. Yanuar (2016) in his writing reviewed the differences in time gaps for generations. According to Yanuar (2016), four distinct generational theories can be postulated that make up the current world population. The first follows the views of Howe & Strauss who divided the current population into four generations, namely: the Silent Generation for those born between 1925-1943, the Generation of Booms born between 1943-1960; the 13th Generation born between 1961-1981 and the Millennial Generation born between 1982-2000. The second view is that of Zemke. He divided the population into four generations, namely: Veterans (1922-1943), Baby Boomers (1943-1960), Xers Generation (1960-1980) and Nexters Generation (1980-1999). The third view is that of Lancaster and Stillman, who also divided the population into four generations: the Traditionalist Generation (1900-1945); Baby Boomers (1946-1964), Generation Xers (1965-1980) and Generation Y (1981-1999). The fourth view follows the opinions of Martin and Tulgan, who are in agreement with Howe & Strauss where the population is divided into four generations: the Silent Generation (1925-1942), Baby Boomers (1946-1964), Generation X (1965-1977), and the Millennial Generation (1978-2000). The fifth view follows Oblinger's opinion which divides the population into five categories: Mature Generation (born before 1946), Baby Boomers (1947-1964), Generation Xers (1965-1980), Generation Y (1981-1995), and Post-millennial Generation (1995 to present). The sixth view was postulated by Tapscott, who only divided the population into three generations, namely the Baby Boomers (1946-1964), Generation Xers (1965-1975), and the Digital Generation (1976-2000).

The definitions above indicate that there is no specific definition for the millennial generation. Between the X and Y generations, the population is divided to distinguish age and characteristics, due to the large age-sensitive differences and experiences in the years encompassing the two generations. Hence the millennial generation is sometimes referred to as Generation Y, i.e. those born between 1981-2000, and those born after referred to as post-millennial. This opinion is shared by Poppy Panjaitan and Arik Prasetyo, quoting the opinions of Shifftman & Kanuk.

Another work on the millennial generation is the research reports of Hasanuddin Ali and Lilik Purwadi entitled "The Urban Middle-Class Millennials of Indonesia: Financial and Online Behavior". The report is a continuation of the previous work carried out by the Alvara Research

Center, The Urban Middle-Class Millennials. The work observes financial, investment, transportation and online behavior in the millennial urban middle class society. In this study, Hasanuddin and Lilik defined the millennial generation as those born between 1980 to 2000. Hasanuddin and Lilik did not distinguish between Generations X and Y, following Yanuar's (2016) definition of millennials. Hassanuddin and Lilik also highlighted three characteristics of this millennial generation: creative, connected and confident.

The three characteristics are elaborated as follows: this millennial generation is a creative generation, accustomed to thinking out of the standard and having many ideas. Second, this generation is a confident generation, daring to express ideas in public. Third, this generation is a connected generation that enjoys socializing, being part of the community, and always being connected to the internet. Considering these three characteristics, Hassanuddin and Lilik conclude that the millennial generation to have very good prospects in the economic and investment fields. Nevertheless, this research did not explore millennial opinions and behaviors towards halal products, which distinguishes our work from that of Hasanuddin and Lilik.

Poppy Panjaitan and Arik Prasetya in their work discussed the influence of social media on work productivity in the millennial generation. In their work, the authors defined the millennial generation as those born in 1977 to 1994, which is a larger age definition for millennials compared to previous definitions. The authors refers to generation Y in the period of millennial generation. The age range in the study was earlier compared to Hassanuddin's research above. In this work, Panjaitan and Prasetya describe this generation as having more higher education and knowledge compared to previous generations. They also describe this generation as living in technological development at the turn of the millennium. This reflects a generation that is highly dependent on the internet, has a high level of confidence and is open to change.

Poppy and Arik emphasized the influence of social media on the performance of millennial generation employees. The study concludes that social media has a significant influence on millennial generation's performance. This is due to the high intensity, activity and dependence of the millennial generation on social media. This also strengthens the theory that millennials cannot escape social media and the internet.

"Consumption Patterns of the Millennial Generational Cohort" by Rebecca Abraham and Charles Harrington highlights the millennial pattern of consumption. In this study, the millennial generation referred to is the "Y" generation i.e. those born between 1982-2002. This research is based on the millennial generation having consumption patterns originating from an uncertain economy, if this is returned to a fixed income hypothesis. Consumption behavior is normally based on income and wealth. Often, this pattern of consumption cannot be separated from social pressure and influence. Dependence on the internet greatly affects the level of consumption in the millennial generation.

The above research concludes that millennials tend to choose large items in their consumption patterns. The consumption patterns and choices of this generation are based on the societies/communities that they follow and the price of the product. Our research raises the question of halal products consumption in the millennial generation, which is not touched in the work of Rebecca Abraham and Charles. However, their work raises several theories which are of relevance to our research.

Yuswohadi in his book Gen-M explores the behaviors and patterns of Muslims belonging to the millennial generation in Indonesia. Yuswohadi began by criticizing the characterization of millennials based on experiences and events occurring in the United States. He states that when studying the millennial generation in Indonesia, their characterization needs to be done following the events and phenomena occurring in Indonesia. This gave rise to the new term coined by Yuswohadi in his book, generation of Muslims (abbreviated Gen-M), which refers to millennial Muslims in Indonesia. In his book, Yuswohadi also references the cohort, which was previously mentioned in the work of Rebecca Abraham and Charles. Yuswohadi defines a cohort as consumers grouped based on a certain period of time where they experience the same events and experiences. This experience is formed through institutional and day-to-day practices.

Yuswohadi's book describes various themes related to the perspective and context of consumption in the millennial Muslim generation. However, the book does not explore the role of Higher Education in developing halal products both theoretically and practically.

This work aims to study the Muslim millennial generation, specifically those in Islamic Religious Universities (PTKI) and the role of institutions in developing halal products.

3. Method

This research used quantitative and qualitative methods (mixed method) for data collection and analysis. Quantitative data was collected by giving questionnaires to final semester students. Qualitative data was obtained from interviews with campus program planners. Data was analyzed with descriptive statistics before being interpreted.

4. Conceptualization of Findings

Fig. 1 shows a conceptual diagrammatic overview of the findings: Halal as a distinct competitive edge in the State Islamic Institute of Surakarta, Indonesia.

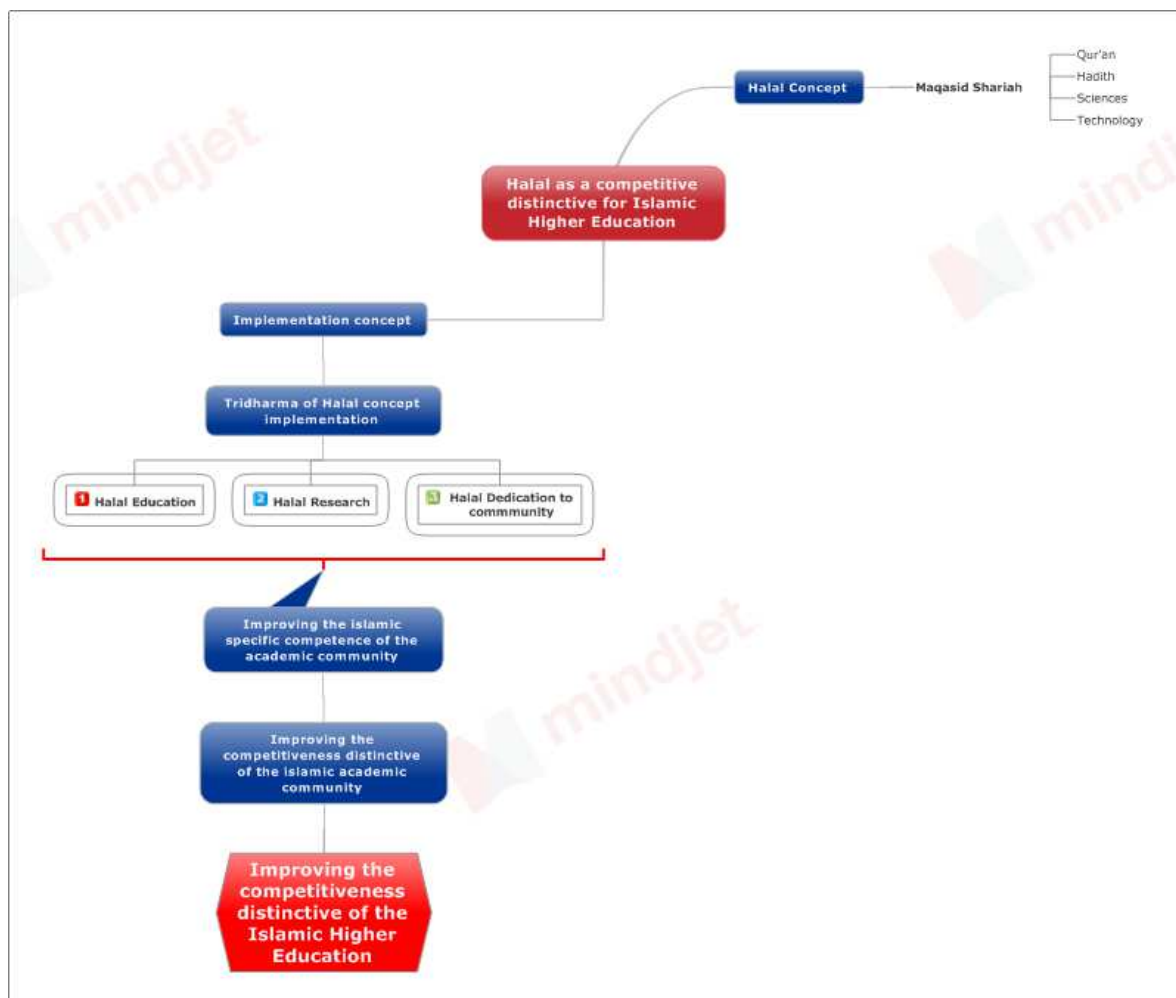


Fig 1. Conceptual Diagrammatic Overview: Halal as a Competitive Distinctive Edge for Islamic Higher Education

5. Findings and Discussion

5.1. The Millennial Generation and Understanding of Halal Product

In this study it was found that the millennial generation was able to identify halal products from the label (packaging) only. 67.7% of the respondents answered that they were able to identify halal products from the label, 22.6% were able to determine halal status of the product from the composition listed on the packaging, while the rest identified halal products from advertisements and product brand names. The millennials were aware of halal products promoted at both national and international levels. Millennials connect and interact with the world via technological devices, making it easier for them to access information quickly and easily. Halal product entrepreneurs introduce their products via various media platforms, including social media. This influences the awareness and understanding of millennial generations regarding halal products.

The econsumption pattern of the millennial generation whereby appearance of the product is prioritized. This is evident from a large number of the respondents identifying halal status from the label of the product only. Meanwhile, a smaller number of millennials read the product composition to identify halal status of the product. This shows that millennials put in little effort to verify the halal status of a product by reading the product composition, compared to those who went with the appearance/ label of the product.

72.9% of respondents studied halal material in Surakarta IAIN, while 27.1% did not. The responses reflected the study programs taken by the respondents. Most of the study programs at IAIN Surakarta are Islamic science programs, and only a small part are related to general science. Therefore, halal studies is taught in religious courses in class. IAIN Surakarta e not aggressively promote halal studies/ products to students by holding halal workshops, training or seminars.

All respondents knew that halal is mentioned in the Qur'an. To the question "Is halal mentioned in the Quran?", 96.9% of respondents answered "Yes", and 3.1% out of these respondents knew that halal is clearly stated in the Qur'an. This is closely related to previous data, namely 51% of respondents have an Islamic educational background; 67.7% had studied halal before attending the IAIN Surakarta; 95.8% had known halal products before attending the Surakarta IAIN; 97.9% of respondents knew halal products while studying at the Surakarta IAIN; and 72.9 respondents studied halal material while studying at the Surakarta IAIN; so 96.9% of respondents knew that halal is clearly stated in the Qur'an.

5.2. Developing Islamic higher education

According to Agus (Vice Rector, Academic Development Division, State Institute of Islamic Studies, Salatiga), a collaboration with the MUI and BPOM was proposed in 2015 to the Dean of the Faculty of Sharia, IAIN Salatiga to address the development of halal studies and products. The collaboration between the two institutions was aimed at building understanding and promotion of halal products. If it is well-promoted, the IAIN as a higher education institution will be ready to guard both in the context of the provision of laboratories as well as volunteers from students and lecturers who work to succeed.

PTKIN is an institution that is authorized to convey Islamic teachings in Indonesia; part of its responsibility is to create strategies and policies to promote halal products with mashlahah value for the community. This mashlahah value is of course, not only understood from religious texts or doctrines, but also integrates existing knowledge. Regarding this matter, IAIN Salatiga plans to develop understanding, research and assessment that supports halal product development and promotion in preparation for halal to become one of the key drivers of the national economy.

Kastolani as the campus budgeting and management policy maker proposed a halal research laboratory. When asked by researchers asked about plans for the establishment of halal laboratories, Kastolani revealed a policy plan leading up to the establishment of laboratories targeted in 2019.

IAIN Salatiga also seeks to introduce the concept of community economic empowerment based on promotion and development of local community products in IAIN Salatiga. During the Introduction

to Academic and Student Affairs (PBAK), new students are invited to patronize traditional markets for their shopping needs. According to Kastolani, this policy was carried out since 2 years ago. This policy encourages students to understand the importance of community economic empowerment and the concept of blessing.

In preparing human resource, several Religious Universities have recruited teaching staff across different disciplines to cover the different aspects of halal product training and development. Surakarta IAIN prepared a number of strategies, including recruitment of human resources not only from Islamic Studies fields of expertise, but also scholars of pure science background. Starting in 2017, Surakarta IAIN recruited several educators from the fields of environmental technology and food technology. Surakarta IAIN hopes that with the experts, the institute can become a pioneer in halal authentication, starting from raw material/concepts to distribution and consumption.

Munadi also regretted the lack of serious response from PTKI to develop halal products for the global market. Although approximately 200 million Muslims have been trained by PTKI, the lack of tangible outputs is an issue that needs to be seriously addressed. For this reason, Munadi emphasized the importance of halal literacy. Development of halal products needs to be carried out at Surakarta IAIN, starting with plans to establish halal study centers and halal laboratories.

5.3. Tridharma: Education, Research, and Dedication to The Community

Regarding PTKIN's response to the development of halal products, Kastolani, the Vice Rector for Administration, and Finance Islamic State for Islamic Studies of Salatiga said that halal products can be understood with material and non-material values. The material value can be seen from the aspect of safety in that the product does not contain harmful elements prohibited by religion. Meanwhile, the non-material value can be appreciated from the aspect of product blessing. Muslims believe that the struggles to remain in the path of Allah and His decrees will lead to more rewards and blessings. The concept of halal falls under this struggle; seeking halal empowers Muslims to strive on the path of faith, hence this leads to more blessings. After all, Islam seeks not just material value, but also spiritual value.

If the value of blessing becomes something that is meant by halal value, then the concept of empowering people becomes important, so that there lies the social value and pro-Islamic and halal products. This is what is meant by an effort to find blessings by empowering the products of the people.

In this context, IAIN Salatiga also instructed elimination of products that is not sourced from the community and whose results are not for the people. For example, in this case, 'Aqua' drinking water is prohibited from circulating at IAIN Salatiga and was replaced with 'Java' drinking water which comes from the people and is for the people.

The results showed that 72.9% of students had studied the halal concept, 83.3% of students were able to identify halal products from MUI labels, and 45.8% understood the Maqasid Shari'ah. Together, these respondents made up an Indonesian Muslim millennial generation that is equipped with for life and work. Institutional development is ongoing via establishment of the halal study center and halal research center by collaborating with various parties.

6. Conclusion

From the findings of this discussion, it can be concluded that; first, the millennial generation's understanding about halal products is still largely limited to aspects of food and a small portion of cosmetics. Wider awareness of halal products such as hospitality and financial services, are still limited to certain study programs. Second, students' understanding of halal products is still limited to understanding labels on the product cover, and not the benefits and impacts of the product. Third, PTKIN has responded positively to the development of halal products, but efforts to prepare qualified human resources in the field of halal products is not yet a priority due to many factors, including the demographic location of the institution which influences attitudes in determining

campus policy; expensive lab equipment for halal research and limited budget; and the absence of qualified human resources to develop halal laboratories.

References

- [1] Abraham, Rebecca, and Charles Harrington. "Consumption Patterns of the Millennial Generational Cohort." *Modern Economy* 6, no. January (2015): 51–64.
- [2] Baharuddin, Kasmarini. "Understanding the Halal Concept and the Importance of Information on Halal Food Business Needed by Potential Malaysian Intrepreneurs." *International Journal of Academic Research in Business and Social Sciences* 5, no. No. 2 (2015): 171.
- [3] Fisher, Johan. "Branding Halal: A Photographic Essay On Global Muslim Markets." *Antropology Today* 28, no. 4 (2008).
- [4] ———. *Proper Islamic Consumption: Shopping Among The Malays In The Modern Malaysia*. Denmark: Nias Press, 2008.
- [5] Hasanuddin Ali, Lilik Purwandi. *The Urban Middle-Class Millennials Indonesia: Financial and Online Behavior*. Jakarta, 2017.
- [6] Maulidia, Rahmah. "Urgensi Regulasi Dan Edukasi Produk Halal Bagi Konsumen." *Justitia Islamica* 10, no. No. 2 (2013): 360.
- [7] Norlila Mahidin, Adam Mohd Saifudin, Siti Norezam Othman. "Halal Food Logistics: The Challenges among Food & Beverages Small and Medium Sizes Manufacturers." *International Journal of Supply Chain. And management* 6, no. No. 3 (2017): 337.
- [8] Prasetya, Poppy Panjaitan dan Arik. "Pengaruh Sosial Media Terhadap Produktivitas Kerja Generasi Millennial (Studi Pada Karyawan PT . Angkasa Pura I Cabang Bandara Internasional Juanda)." *Jurnal Administrasi Bisnis* 48, no. 1 (2017): 173–180.
- [9] Putra, Yanuar Surya. "Theoretical Review: Teori Perbedaan Generasi." *Among Makarti* Vol. 9, no. 18 (2016): 123–134.
- [10] Rilanda Adzhani, Rini. "Komparasi Kinerja Perbankan Syari'ah Di Asia Dengan Pendekatan Maqasid Al-Syari'ah." *Jurnal Akuntansi dan Keuangan Islam* 5, no. No. 1 (2017).
- [11] Stephenson, Marcus L. "Deciphering 'Islamic Hospitality': Developments, Challenges, and Opportunities." *Jurnal Tourism Management* 40 (2014): 155–164.
- [12] Umar, Nasaruddin. "The 2nd International Seminar on Halalness and Safety of Food and Pharmaceutical Products." In *The 2nd International Seminar on Halalness and Safety of Food and Pharmaceutical Products*. Yogyakarta: Universitas Gadjah Mada, 2012.
- [13] Yuswohadi. "Kelahiran Dan Pembentukan: Ketika Muslim Bebas Berekspresi." In *Generation Muslim: Islam Itu Keren*, 4. Yogyakarta: Bentang Pustaka, 2017.