



## HALAL AS A COMPETITIVE DISTINCTION FOR ISLAMIC HIGHER EDUCATION IN PREPARING MUSLIM MILLENNIALS

**Abdul Matin bin Salman, Abd. Halim, Nur Rohman**

Institut Agama Islam Negeri Surakarta

**Muslimah Susilayati**

Institut Agama Islam Negeri Salatiga

Email: muslimahsmiainsalatiga.ac.id

### **Abstract:**

The study aims to investigate the implementation of halal as a competitive distinction for Islamic higher education in preparing the Muslim millennials at the State Islamic Institutes. This research employed both quantitative and qualitative (mixed method) by administering questionnaires to final semester students and conducting interviews with the campus program planners. The data were descriptively analyzed by using statistical computation before being interpreted. The finding showed that 72,9% of the students had studied the halal concept, 83,3% of them had known halal products from MUI labels, and 45,8% of them understood the *maqāṣid syarīah*. The results of interviews revealed that the institution is continuing to prepare the establishment of a halal study center by collaborating with other institutions.

**Keywords:** halal concept, Islamic higher education, millennials.

### **Abstrak:**

Penelitian ini bertujuan untuk menganalisis konsep halal sebagai salah satu pembeda bagi perguruan tinggi Islam dalam menyiapkan generasi milenial. Penelitian ini menggunakan metode kualitatif dan kuantitatif dengan menyebarkan kuesioner kepada mahasiswa semester akhir dan melakukan interview dengan pemangku kebijakan institusi. Data dari penelitian ini kemudian dianalisis menggunakan metode deskripsi statistic. Hasil penelitian menunjukkan bahwa 72,9% responden

telah belajar tentang konsep halal, 83,3% dari mereka mengetahui kehalalan suatu produk dari label MUI yang tertera di kemasan produk, dan 45,8% menyatakan mereka memahami hukum dan peraturan tentang halal. Selanjutnya, hasil interview dengan pemangku kebijakan menunjukkan bahwa mereka sedang dalam proses untuk mendirikan pusat studi halal atau laboratorium halal di kampus.

**Kata Kunci:** Halal Konsep, Perguruan Tinggi Islam, Generasi Milenial.

## Introduction

In a study conducted by the Pew Research Center, it is stated that the number of the Muslim population in the world reached 1.6 billion in 2010. This number is expected to increase until 2.67 billion by 2050 with an average percentage of 29.7% of the total population in the world.<sup>1</sup> This data seemly indicate that the needs of Muslims in various fields and aspects of life will be continuously increasing. If so, as a result, halal products will be one of the main concerns of Muslims. Therefore, it is not surprising if the halal product campaign is concerned by many communities in the world for decades, including in Indonesia.

Indonesia is really serious in positioning itself as a global halal center and a pioneer of halal products. The halal campaign is also carried out by the Indonesian Ulema Council (MUI) as the legal institution having a responsibility to ensure public trust by establishing a halal certificate of a product. This is proven by Indonesia Halal Expo (INDHEX) that are conducted regularly by MUI in 2011, 2012 and 2013.<sup>2</sup> That is why, well-understanding of the halal product concept is an important issue that should be seriously responded to by the Muslim community, especially Muslim scholars who are working in the field of education.

Islamic Higher Institutions, where Muslim scholars are involved, have to be sensitive to this issue. The mastery of the concept and legal regulation of halal, both from the perspective of Islam and science, is truly essential. It also can be an alternative in responding to the needs of Muslims today.

The opportunity of expanding the halal product market is widely opened for the Indonesian Muslim community. This is due to the demand for halal

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<sup>1</sup> Norlila Mahidin and Adam Mohd Saifudin, "Halal Food Logistics: The Challenges among Food & Beverages Small and Medium Sizes Manufacturers", *International Journal of Supply Chain And Management*, Vol. 6, No. 3, 2017, p. 337.

<sup>2</sup> Rahmah Maulida, "Urgensi Regulasi Dan Edukasi Produk Halal Bagi Konsumen", *Justitia Islamica*, Vol. 10, No. 2, 2013, p. 360.

product guarantee that increases as the improvement of Muslim awareness of the quality of their physical and spiritual life. Therefore, it is not surprising that safety and halal certification of a product has become a global need and been established regionally, nationally and internationally.

Halal product demand is continuing to increase even not only from Muslim-majority countries. The transaction value reaches US\$ 632 billion per year (Times, May 2009). In Southeast Asia, more than 250 million people are Muslims. Malaysia, Indonesia, and many other countries even have a privilege to establish a halal certificate for a product. In these countries, halal is a symbol of quality for both Muslims and non-Muslims.<sup>3</sup> In a research report, the global halal market value reaches US\$ 3.6 and is predicted to increase until US\$ 5 trillion by 2020. For information, halal food products have reached more than US\$ 1.6 trillion in 2018<sup>4</sup>.

These data indicate that the concept of halal products has attracted global attention. Islamic higher education (PTKI), as a forum for teaching Islamic thoughts, plays a significant role to equip the graduates with a well-understanding of halal concept along with the legal regulation through teaching, researches, and academic discussion. Responding to the issue, the present study investigates strategy and the level of students' understanding of the halal concept at State Islamic Institute of Surakarta and Salatiga as Islamic higher education in Indonesia. The data are obtained from final semester students and campus program planners through questionnaires and interviews. In short, this study attempts to answer two questions: (1) to what extent is the millennials' understanding of halal product concept? and (2) what is the Islamic institution's strategy in responding to the development of halal products?

### **Halal and Millennial Generations**

The study of halal products becomes an interesting topic and attracts the attention of many scholars in recent years. Johan Fisher, in his article entitled "*Proper Islamic Consumption*", discusses the emergence and rise of Muslims in Malaysia that then encourage the increasing number of purchase activities and lifestyle which consider the aspect of halal in some products they are going to buy.

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<sup>3</sup> Baharuddin, "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* Vol. 5, No. 2, 2015, p. 171.

<sup>4</sup> Norlila Mahidin, Adam Mohd Saifudin, "Halal Food Logistics: The Challenges among Food & Beverages Small and Medium Sizes Manufacturers" *International Journal of Supply Chain And Management*, Vol. 6, No. 3, 2017, p. 337.

This situation is then becoming a new culture in Malaysian society and makes Muslims start to do a campaign of halal products in some cases and situations.<sup>5</sup>

Furthermore, in his other essay entitled “*Halal Branding: A Photographic Essay On Global Muslim Markets*”, Fisher emphasizes that the term *halal* is closely related to meat from slaughterhouses which should be standardized according to the procedures in Islamic thought. This phenomenon is often happening in some Muslim countries. That is why most Muslim countries establish an institution having a responsibility to judge whether or not a product is considered as *halal*. Consequently, producers, in promoting their products, do not only pay more attention to the beauty or appearance of the model but also have to ensure the aspect of *halal* so that the quality of the products are as good as others that have not certified yet.<sup>6</sup>

Looking at the previous studies, Rilanda Adzhani examined the comparative performance of Islamic Sharia banking in Asia as seen from Islamic *maqāsid*. She emphasized the aspect of *Iqāmah al-‘Adl* in which sharia products must convince consumers that the products being offered have values of justice, including the production process, price, quality, conditions, and terms of the contract. In addition, producers must ensure that the production process and company regulations are free from negative things, such as usury, corruption, fraud, and wealth inequality. In other words, Islamic product producers must have a priority scale, which should prioritize the needs of the consumers.<sup>7</sup>

Another study conducted by Marcus L. Stephenson entitled “*Deciphering Islamic Hospitality: Developments, Challenges, and Opportunities*” discussed the principles of Islamic hospitality and its application and development in the Islamic world which is slowly growing. In his opinion, the traditional understanding of *halal* is everything that is permissible in Islam. However, although this study has been widely discussed about Islamic hospitality, this research has not been directed to see how the context of millennials’ understanding and how Islamic higher education responds and prepares it.<sup>8</sup>

Theories about the development and division of generations experience different views. Yanuar, in his writing, conducted a review of several differences

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<sup>5</sup> Johan Fisher, *Proper Islamic Consumption: Shopping among the Malays in Modern Malaysia*. (Denmark: Nias Press, 2008).

<sup>6</sup> Johan Fisher, “Halal Branding: A Photographic Essay On Global Muslim Markets”, *Anthropology Today*, Vol. 28, No. 4, 2008.

<sup>7</sup> Rilanda Adzhani, “Komparasi Kinerja Perbankan Syariah di Asia Dengan Pendekatan *Maqasid Al-Syari’ah*”, *Jurnal Akuntansi dan Keuangan Islam*, Vol. 5, No. 1, 2017.

<sup>8</sup> Marcus L. Stephenson, “Deciphering ‘Islamic Hospitality’: Developments, Challenges, and Opportunities”, *Jurnal Tourism Management*, Vol. 40, 2014, p. 155–64.

in time limits for generations. In his writings, there are four generations that are distinguished and are currently growing in the world. The first is the opinion of Howe & Strauss who divide generation into four, namely the silent generation for those born between 1925-1943, the generation of booms who was born between 1943-1960; 13th generation who was born between 1961-1981; and Millennials who was born between 1982-2000. Second, Zemke divides generation into four; the generation of veterans (1922-1943), baby boomers (1943-1960), generation X (1960-1980), and next-generation (1980-1999). Similarly, Lancaster and Stillman also divide generation into four. They are traditionalist generation (1900-1945), baby boomers (1946-1964), generation X (1965-1980), and generation Y (1981-1999). Meanwhile, Oblinger divides generation into five categories; mature generation (before 1946), baby boomers (1947-1964), generation X (1965-1980), generation Y (1981-1995), and post-millennials (1995 to present). Last but not least, Tapscott only divides generation into three; baby boomers (1946-1964), generation X (1965-1975), and digital generation (1976-2000).

According to the classification of the generation above, there are no specific differences to see who millennials are. The categorization of each generation is just a matter of age. Those who are called millennials commonly were born at around 80<sup>th</sup> or in other words it is a common opinion that Generation X and Y are also considered as millennials. That is why, many people state that millennials are also called generation Y, who are those born between 1981-2000, or post-millennials.<sup>9</sup> The same opinion is also delivered by Poppy Panjaitan and Arik Prasetyo who quote Shiffman & Kanuk.

Another writing-related to millennials is the research report of Hasanuddin Ali and Lilik Purwadi entitled "*The Urban Middle-Class Millennials Indonesia: Financial and Online Behavior*". The report, which was previously carried out by Alvara Research Center, sought to see how financial behavior, investment, transportation behavior, and online behavior are carried out in the middle-class society. In this study, Hasanuddin and Lilik said that millennials are those who born between 1980 to 2000s. This means that Hasanuddin and Lilik do not distinguish between generation X and Y as Yanuar does. They also added that millennials usually have three main characteristics; creative, sociable and confident.

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<sup>9</sup> Hassanuddin Ali dan Lilik Purwandi, *The Urban Middle-Class Millennials Indonesia: Financial and Online Behavior*, (Jakarta: Alvara Research Center, 2017).

The three main characteristics of millennials show that they are closely characterized as a creative generation, often think outside the box, and have so many new ideas. They are also considered as a confident generation who are briefly expressing their ideas in public. Moreover, this generation is famous for its sociable in which they are most active in the social community especially in social media. Based on the aforementioned characteristics, Hasanuddin and Lilik consider that millennials are a potential prospect in the fields of economic and investment.

In another study, Poppy Panjaitan and Arik Prasetya examine the influence of social media on work productivity. They explain that millennials are those who were born between 1977 and 1994. They included generation Y into millennials since they are very close in terms of age. In addition, they describe the characteristics of this generation normatively as they have higher education and knowledge than other generations. Furthermore, millennials live by means of technological development and advancement which enable them to always update with the current information. Poppy and Arik's study emphasizes the influence of social media on the performance of millennials employees. The conclusion of their research is social media has a great influence on millennials' performance in a working environment. This may due to they are actively involving the activities in online platforms, even tend to be dependable on social media. The result of their study also confirms that millennials cannot be escaped from the advancement of technology and the internet.

Rebecca Abraham and Charless Harrington in their article entitled "*Consumption Patterns of the Millennial Generational Cohort*" investigates the pattern of millennials' consumption. The article also mentions that millennials are those born between 1982 and 2002. This research is based on millennials who have consumption patterns originating from an uncertain economy. The decision to consume a product is based on their income and wealth. Often, this consumption selection cannot be separated from the social community they follow. This research reveals that millennials tend to choose large items in their consumption patterns. They choose as the social community they follow and the price of the product they chose also greatly affects the pattern of their consumption. The research conducted by Rebecca Abraham and Charless raises a number of theories that are very relevant to this study.<sup>10</sup>

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<sup>10</sup> Abraham, Rebecca dan Charless Harrington, "Consumption Patterns of Millennial Generational Cohort", *Modern Ekonomi*, No. 6, 2015, p. 51-64.

Yuswohadi, in his book “*Gen-M*”, explains that Muslim millennials have various characteristics. He began his writing by criticizing millennials based on experiences and events that occurred in the United States. Therefore, when studying Indonesian millennials, he offers the characteristics of the generation that are in accordance with the events and phenomena occurring in Indonesia. As a result, it offers a generation of Muslims or then abbreviated as Gen-M. Since then, Yuswohadi offers a new term in mentioning Muslim millennials, which is “Muslim generation or Gen-M” which becomes the title of his book. The book describes various things related to the perspective and context of the consumption of Muslim generation. However, in general, the book has not explained the role of Higher Education in developing halal products both theoretically and practically.

From some of the studies mentioned earlier, there has not been a single study that specifically talks about millennials in Islamic higher institutions (PTKI) and the role of institutions in developing halal product guarantee. Hence, the present study is carried out to fill the gap.

### **Halal and Competitive Distinction for Islamic Higher Education**

The present study employed both quantitative and qualitative methods to reach the objectives. The quantitative method was conducted by administering questionnaires to final semester students and the qualitative method was carried out by interviewing the campus grand design/program planners. The data then were descriptively analyzed by using statistical computation before being interpreted.

Figure 1 shows a conceptual diagrammatic overview of findings: halal as a competitive distinction in the State Islamic Institute of Surakarta, Indonesia.

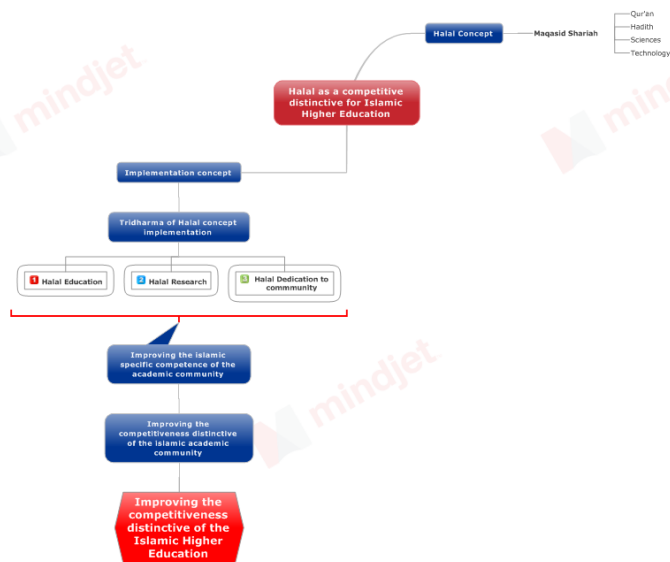


Figure 1. Halal as a competitive distinction for Islamic Higher Education

## Millennial Generations Perspectives on Halal

### 1. Millennials and their Understanding of Halal Product

The result of data analysis showed that millennials know whether a product was halal was only from the label (packaging). In details, 67, 7% of them answered knowing halal products from the label and 22, 6% knew the halal of a product from the composition listed on the packaging. While the rest knew halal products from the advertisement and the product brand name. Halal products that are being stretched on both national and international scale also seem to be followed by millennials. Their character that is always connecting with technological devices makes them easier to get information quickly and easily. In addition, halal product entrepreneurs also intensively introduce their products in various media, especially in social media. As a result, it gives a significant influence for millennials in understanding the concept of halal in a product.

Most millennials saw a product from its appearance including its uniqueness and attractiveness. Some others judged the halal of a product from its label declared in the package. They tended to barely read the composition of a product they were going to consume. This phenomenon showed that millennials were more attracted to the appearance of a product rather than to ensure the halal of a product by reading the composition.



In another direction, 72,9% of the respondents said that they were studying the concept of halal when they were being students. The others, 27.1% of them, confirmed that they did not study the concept of halal on the campus. This finding was classified from the respondents' departments in which most of the departments at the State Islamic Institute are concentrating on Islamic science, and few of them are related to general sciences. Therefore, it was not surprising that, based on the finding, the majority of the respondents (72.9%) had a good understanding of the concept of halal. However, the concept of halal was only taught in some religious subjects and typically at the beginning of the semester. It seemed that the institution had not been aggressively promoting the concept of halal as a competitive distinction of an Islamic higher institution, such as by administering workshops, training, or seminars.

In addition, the finding also revealed that the concept of halal had been clearly stated in the Qur'an. 96.9% of the respondents confirmed the statement. This was closely related to the previous data in which 51% of the respondents had an Islamic educational background; 67.7% had studied halal concept before attending the campus; 95.8% had known halal products before attending the campus; 97.9% had learned halal products while studying at the campus; and 72.9% of the respondents had studied the material about halal concept while being students at the campus.

## 2. Developing Halal Centre in Islamic Higher Education

Agus, the vice-rector for Academic and Institution Development State Institute of Islamic Studies Salatiga, stated that in addressing the concept of halal, an institution must synergize with MUI and BPOM. This was done by him when he was becoming the Dean of Sharia faculty since 2015. The purpose of collaborating with the two institutions was to create the same understanding of how halal products were socialized properly. If it is well socialized, IAIN as an Islamic higher education institution will be ready to guard both in the context of the provision of laboratories and volunteers from students and lecturers.

PTKIN as an institution that has authority in conveying the messages of Islamic thoughts is responsible to create strategies and policies in socializing halal products that will have *maṣlahah* value for the social community. This *maṣlahah* value is, of course, not only measured from the understanding of religious texts or doctrines but also must be integrated with the existing set of knowledge and all related layers. Regarding this matter, Agus said that IAIN Salatiga plans to develop understanding and assessment as a response to the concept of halal

products if it later strengthens and becomes a national issue. In a similar direction, Kastolani as the campus budgeting, and management policymaker states that his institution had made a proposal of a halal research laboratory establishment. They are targeting that the laboratory will be officially established in 2019.

IAIN Salatiga is also trying to introduce the concept of community economic empowerment based on the consumption of community products to fresh students since they are entering the campus. Through the Introduction to Campus Environment (PBAK), the faculty members along with the committee explain the concept and urgency of halal products among the students. The students are also invited to go to traditional markets to buy their needs and recitations. According to the information stated by Kastolani, the activity for new students has been carried out for two years. Through this activity, the students are expected to understand the importance of social-economic empowerment and the concept of blessing.

On behalf of a similar objective, IAIN Surakarta through the vice-rector for administration, planning and financial affairs, Munadi, states that the institution is going to continuously develop the study of *halal*. He emphasizes the importance of literacy activities about the concept of halal products and highlights the on-going establishment of halal center or halal laboratory in IAIN Surakarta.

In terms of human resources, some Islamic Universities have recruited academic staff who have various backgrounds and disciplines. IAIN Surakarta, similar to other Islamic universities, is preparing strategies in sounding *halal* concepts including in the selection of academic staffs who are not only coming from Islamic studies but also from other fields of science. Starting in 2017, IAIN Surakarta has recruited some academic staff from environmental science and food technology. It is greatly expected that they are going to be pioneers in promoting *halal* products and officially establishing a laboratory that becomes the center of *halal*.

### **3. Tridharma: Education, Research, and Dedication to Community**

In relation to Islamic higher educations' response to the development of halal products, Kastolani states that halal products are understood by means of material and non-material values. The material value is seen from the aspect of content security and does not include something that is prohibited by the rule of religion, while the non-material value is determined by the aspect of product

blessing. The concept of halal is basically the empowerment of people so that the value of blessing will emerge, not only capital values but also social values.

If blessing becomes the main core of halal value, the concept of empowering people then is very important. As a result, people will be aware of halal products and Islamic values. This is what meant by an effort to find blessings by empowering halal products. In this context, IAIN Salatiga also strives to instruct all faculty members to eliminate product circulation that is not from their social community. For example, in this case, the 'Aqua' drinking water product is prohibited at the IAIN of Salatiga and they replaced with drinking water 'Java' which is coming from their people and giving more benefits to the people.

As stated earlier, the results of this research showed that 72,9% of students had studied the *halal* concept, 83,3% had known halal products from MUI labels, and 45,8% had understood *maqāṣid syarīah*. It indicates that they have more experiences for life and work as part of the millennials in society. Institutional development is still continuing the establishment of halal study center or *halal* center by collaborating with other institutions and parties.

## Conclusions

Based on the findings of this research, some conclusions are taken; *first*, the understanding of millennials about *halal* products is commonly limited to food and cosmetics. The concept of *halal* of other products such as hospitality and financial services seems to be put aside. *Second*, millennials' understanding of halal products is still bounded in terms of the labels of a product in its package. They do not think of the beneficial aspects and the impacts of the product to society. *Third*, PTKIN, as Islamic higher institution, has responded positively to the development of halal products but has not had an effort to prepare qualified human resources to develop the halal concept. It is due to some factors; (1) the demographic location of the campus, (2) the high cost of laboratory establishment, and (3) the absence of qualified human resources.

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