



Contents list available at: <https://ejournal.kampusmelayu.ac.id>

MAISHA: Journal of Sharia Economics

Journal homepage: <https://ejournal.kampusmelayu.ac.id/index.php/MAISHA>

Analysis of *Halal* Supply Chain Transparency in Enhancing Consumer Trust in *Halal* Products from MSMEs in Bengkalis

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Article Info

Paper type:

Research Paper

Keywords:

Transparency; Halal Supply Chain; MSMEs.

Article history:

Received: July 19, 2025

Accepted: December 1, 2025

Available online: December 9, 2025

Abstract

The objective of this study is to examine the role of halal supply chain transparency in strengthening consumer trust in MSMEs products in Bengkalis. The study is motivated by persistent challenges, including limited practitioner understanding of halal supply chains, low adoption of transparency systems, and minimal digital technology use. A qualitative, descriptive design was employed, with data collected through in-depth interviews. The study population comprised MSMEs owners and consumers who purchased MSMEs products in Bengkalis; sampling was purposive. Findings indicate that MSMEs operators have begun to recognize the importance of halal supply chains for product safety and Muslim consumer trust; however, transparency practices remain nascent and informal. Although consumer perceptions are generally positive, limited technical knowledge and sparse technology adoption hinder comprehensive Sharia compliance. The study recommends a collaborative strategy encompassing technical assistance, expedited halal certification, and digitization of basic information to reinforce halal supply chain integrity and enhance MSMEs competitiveness in broader markets.

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Introduction

The global *halal* industry has seen significant growth as public awareness of the importance of consuming compliant products has increased in accordance with Sharia principles. As the country with the world's largest Muslim population, Indonesia has significant potential for the development of the *halal* industry, particularly in the Micro,

Small, and Medium Enterprises (MSMEs) sector. *Halal* products are not only viewed as a religious obligation but also as an indicator of quality, safety, and consumer trust in a product. This makes *halal* compliance a strategic factor in enhancing the competitiveness of MSMEs in both domestic and global markets (Hassan, 2025).

However, in practice, managing the *halal* supply chain faces various challenges, particularly in maintaining *halal* integrity at every stage of the production and distribution process. The *halal* supply chain encompasses not only the flow of goods but also involves the control of information and processes that must comply with Sharia standards. Failure to maintain this integrity has the potential to raise consumer doubts regarding a product's *halal* status, which could ultimately erode trust.

In this context, transparency in the *halal* supply chain is a critical element that cannot be overlooked. Transparency enables the disclosure of information regarding the origin of raw materials, production processes, and product distribution to consumers. With transparency, businesses can enhance accountability and provide stronger assurance regarding the *halal* status of products. Research indicates that the implementation of technology-based transparency, such as blockchain, can improve traceability and minimize the potential for data manipulation within the *halal* supply chain (Attarbashi et al., 2024).

In addition, the use of digital technologies such as the Internet of Things (IoT) and blockchain also plays a role in improving the efficiency and reliability of the *halal* supply chain system. The integration of these technologies enables real-time monitoring and more accurate data recording, thereby strengthening consumer confidence in *halal* products. This is also in line with efforts to create a sustainable and transparent supply chain system (Kurniawan et al., 2025).

The implementation of transparency in the *halal* supply chain is also closely linked to consumer acceptance of *halal* product traceability systems. Consumers tend to have a higher level of trust in products that have a clear and accessible traceability system. Therefore, transparency not only impacts operational aspects but also contributes to increased consumer loyalty and trust (Susanty et al., 2025).

Bengkalis Regency, as one of the districts in Riau Province, has great potential for the development of *halal*-based MSMEs. However, in practice, there are still various obstacles, such as business owners' limited understanding of the concept of the *halal* supply chain, low implementation of transparency systems, and minimal use of digital technology. These conditions have the potential to affect the level of consumer confidence in *halal* products produced by MSMEs in the region.

Based on this description, this study is important to analyze the role of *halal* supply chain transparency in enhancing consumer trust in *halal* products from SMEs in Bengkalis. More specifically, this study aims to determine how *halal* supply chain transparency is implemented by SME operators, including the extent to which product management processes comply with the principles of *halal* information transparency. Additionally, this study analyzes the level of information transparency communicated to consumers, including details regarding the origin of raw materials, production processes, and product distribution. On the other hand, this study aims to explore consumers' perceptions and levels of trust regarding the transparency practices implemented by MSMEs, thereby identifying the relationship between transparency and consumer trust, pinpointing the various challenges faced by MSMEs in implementing *halal* supply chain transparency, and formulating solutions to address these obstacles. Thus, the results of this study are expected not only to contribute academically but also to serve as practical recommendations for strengthening a transparent and sustainable *halal* supply chain system to enhance the competitiveness of MSMEs in the *halal* industry sector.

Literature Review

Transparency

Transparency is a principle of openness that enables the public or stakeholders to access, learn about, and understand information in a clear, honest, and comprehensive manner regarding activities, policies, and management practices. According to Sawalni and Ridwan. (2025) The importance of transparency regarding the *halal* status of food and beverage products is a fundamental necessity for Muslims. *Halal* food serves as a guarantee of safety, hygiene, and high quality in the lives of Muslims, as an expression of worship that must be observed.

***Halal* Supply Chain**

The word “*halal*” comes from Arabic and means “to free, to resolve, to dissolve, and to permit anything that does not subject a person to legal liability when used, or anything that is permissible to do according to the rules of Islamic law.” Etymologically, *halal* means everything that is permitted and can be done because it is free from elements that prohibit it, or it is interpreted as everything that is free from worldly and otherworldly harm. Generally, *halal* refers to everything that is permissible to use or do within Islamic teachings, including the food and beverages consumed by Muslims. Furthermore, food and beverages must not only be *halal* but also *thayyib* that is, of good quality and beneficial to health. (Sri Mulyati et al., 2023).

The *halal* supply chain is a concept that refers to the entire series of processes and activities that ensure products or services meet *halal* standards under Islamic law. This concept aims to ensure that every stage of the production and distribution process complies with Sharia principles. According to Rohaeni and Sutawijaya (2020) The *halal* supply chain is an integrated effort within the industry that encompasses the entire range of activities, from inputs, production, and distribution to marketing and consumption. This process ensures that every stage in the production of *halal* products complies with Sharia standards. In producing *halal* products, the primary focus is on the selection and management of raw materials. Raw materials must be free from haram (forbidden) and unclean (impure) elements, and the processing must be carried out using technology that does not cause cross-contamination with haram materials.

The *halal* supply chain indicators can meet the *halal* criteria under Islamic principles (Fitri & Rustam, 2024) :

1) Raw Materials

Raw materials are a critical initial component in the *halal* supply chain. The raw materials used must be free from contamination by non-*halal* substances, such as alcohol, pork, or other ingredients prohibited in Islam. Raw materials must be selected carefully to ensure that the final product remains *halal*. In addition, raw materials must also meet hygiene and health standards, so that they are not only *halal* but also safe for consumption.

2) Production Process

A key step in the production process is ensuring the *halal* status of the product. During this process, raw materials must be processed in accordance with Sharia law, ensuring that there is no cross-contamination between *halal* and non-*halal* ingredients. The production process must also maintain cleanliness and sanitation, and ensure that any additives used, such as colorants or preservatives, are *halal* and have been verified as such.

3) Distribution

Distribution involves all the steps required to deliver products from the manufacturer to the consumer. At this stage, proper packaging is essential to protect *halal* products from contamination by non-*halal* ingredients. In addition, the transportation and storage of products must be kept clean, with a clear separation between *halal* and non-*halal* products to prevent cross-contamination.

4) Product Marketing

The marketing of *halal* products must be conducted honestly, transparently, and in accordance with Sharia law. The information provided must be accurate and free of false claims, particularly regarding certification *halal*. *Halal* labels must comply with applicable standards. In addition, it is important to clarify the *halal* status of the ingredients, production process, packaging, and distribution of the product. The goal of marketing is to educate consumers to choose products that are in accordance with Islamic teachings and to maintain consumer trust.

Previous research addressing the conceptual aspects of *halal* supply chain management includes a study by Yeni Rohaeni and Ahmad Hidayat Sutawijaya titled "Development of a Conceptual Model for *Halal* Supply Chain Management: A Case Study of Indonesia." In 2020, this journal examined the conceptual model of *halal* supply chain management. The methods used in this study were a literature review and narrative interviews with expert sources, and the results showed that stakeholders have not yet fully explored the factors and roles that support the implementation of *halal* supply chain management. The difference with the current study lies in the focus of the research location and the variables examined; the current study focuses on the conceptual model of *halal* supply chain management, whereas the researcher focuses on the transparency of the *halal* supply chain for *halal* products from MSMEs in Bengkalis.

Consumer Confidence

Trust is a key element in consumer decision-making, particularly in the context of a competitive and uncertain market. Trust is built through three main components: competence, goodwill, and integrity. In the context of *halal* product consumption, consumer trust is heavily influenced by the belief that the purchased product meets Islamic sharia criteria and aligns with quality expectations. Consumer trust is built through a *halal* supply chain that clearly defines *halal* products, adheres to strict *halal* standards covering oversight from raw materials to finished goods thereby facilitating long-term relationships between producers and consumers (Halik et al., 2025).

MSMEs

Micro, Small, and Medium Enterprises (MSMEs) are business entities operating in various sectors, including trade, industry, services, and agriculture. MSMEs play a vital role in a country's economy due to their significant contributions to economic growth, employment, and income distribution. The key characteristics of MSMEs include a relatively small business scale, a limited number of employees, and limited capital. Micro, Small, and Medium Enterprises (MSMEs) refer to businesses with a limited market scope, a limited workforce, and are generally managed independently by the business owners (Marifat et al., 2025).

MSMEs play a vital role in reducing unemployment, creating jobs, lowering poverty rates, improving welfare, and shaping the nation's character. MSMEs hold significant potential as commercial enterprises within the community, which will encourage more people to become entrepreneurs, thereby improving the economy of a region. To this end, skills training is needed to ensure that the management of these small businesses can operate more effectively and thrive amid current technological advancements. Additionally, improving the quality of human resources is essential to enable them to leverage technology effectively, ensuring that SMEs can compete on equal footing with large corporations. The presence of SMEs serves as a stabilizer for Indonesia's economy, as they can thrive alongside large enterprises and boost productivity through a more efficient workforce. Furthermore, SMEs can also support large enterprises by supplying raw materials, components, and other necessary materials that large enterprises process into high-value products or goods (Aliyah, 2022).

Methodology

This study employs a qualitative approach with a descriptive design. This approach was chosen to gain a deeper understanding of the transparency of the *halal* supply chain in enhancing consumer trust in MSMEs products in Bengkalis. The qualitative approach was selected because of its flexibility in understanding complex social phenomena, as well as its ability to provide richer insights into individuals' perceptions and experiences regarding *halal* products. This method is particularly suitable for uncovering dynamics that cannot be measured by numbers, such as consumer trust related to the *halal* supply chain. The researcher also employed a literature review (library research) to deepen the discussion drawn from various secondary sources, such as scientific journals, books, and relevant academic articles. This involved searching databases like Google Scholar and selecting literature based on relevance and credibility (possessing a DOI and being indexed).

This study also employs a phenomenological approach, in which the researcher seeks to understand the phenomena experienced by stakeholders within the *halal* supply chain, ranging from consumers to SME operators. This approach enables the study to identify and describe perceptions, experiences, and practices related to the *halal* supply chain, as well as their impact on consumer trust.

Regarding relevant data collection methods, this study employs in-depth interviews as the primary technique. These interviews aim to explore transparency practices in the *halal* supply chain, the level of information disclosure, consumer perceptions and trust, as well as the challenges and solutions faced by MSMEs. Data analysis involves presenting the collected data in the form of descriptive narratives to facilitate understanding and analysis, and drawing conclusions from the analyzed data to address the research objectives.

This study was conducted among SMEs in Bengkalis Regency. The research population consists of SME operators and consumers who have purchased SME products in Bengkalis. The sampling technique used purposive sampling, which involves selecting informants based on specific criteria: SMEs producing food/beverages, and consumers who have purchased SME products. Thus, the sample for this study comprises SME operators and MSMEs consumers in Bengkalis, totaling 2 MSMEs operators and 2 MSMEs consumers in Bengkalis.

Results and Discussion

Results

The research findings presented in this study were obtained through in-depth interviews; the data were then organized into descriptive narratives, and conclusions were drawn from the analyzed data. This study involved four informants, consisting of two food and beverage MSMEs operators in Bengkalis and two consumers who had purchased products from these MSMEs. The MSMEs operator informants were selected because they had firsthand knowledge of the process from production to product marketing and understood the *halal* supply chain practices implemented in their businesses. One of the MSMEs operator informants was non-Muslim, thus providing an additional perspective on understanding and applying the concept of *halal* in business activities.

Meanwhile, consumer informants were selected based on their experience purchasing and consuming MSMEs products, so they could provide assessments regarding the transparency of *halal* information and their level of trust in the products. Based on the research conducted by the researchers, the following findings were obtained:

Implementation of *Halal* Supply Chain Transparency for MSMEs in Bengkalis

Based on the interview results, MSMEs operators generally understand that the *halal* supply chain involves the use of safe raw materials that do not contain any haram ingredients, as well as clean production processes that comply with Sharia principles. Transparency is implemented in a straightforward manner, namely through direct communication with consumers regarding raw materials and production processes.

The following is an explanation from Ms. Nelvi Weriza, an MSMEs operator running a meatball buffet business:

“I always use ingredients with a clear origin, and if a customer asks, I explain the ingredients and the production process.”

However, this transparency is not yet supported by a structured information system, such as records of raw materials or documentation of the production process. Transparency remains informal and relies on direct interaction between sellers and consumers.

Interestingly, non-Muslim SME operators also demonstrate a commitment to maintaining the *halal* status of their products, particularly as an adaptation to market needs where the majority of consumers are Muslim.

However, this aligns with the same explanation from Sherly’s older sister, a dim sum seller:

“Even though I’m not Muslim, I still ensure the ingredients and processes are *halal* because most customers request *halal* products.”

This indicates that the implementation of *halal* supply chain transparency is influenced not only by religious factors but also by market demand and efforts to build consumer trust.

Level of Transparency Regarding *Halal* Information Provided by MSMEs to Consumers

Research findings indicate that the level of transparency regarding *halal* information among MSMEs remains relatively low. Information regarding product *halal* status is generally provided verbally and only when consumers ask questions. There have been no systematic efforts to openly communicate *halal* information through labels, packaging, or digital media. According to Ms. Nelvi Weriza, an SME owner, she stated:

“I only explain it if someone asks, but I’ve never specifically included *halal* information.”

This indicates that transparency regarding *halal* information remains reactive rather than proactive. Additionally, the absence of *halal* certification means the information provided lacks clear and verified standards.

Consequently, transparency regarding *halal* information among SMEs still needs to be improved through the provision of more systematic information, whether in the form of documentation or communication channels accessible to consumers.

Consumer Perceptions and Beliefs Regarding Transparency in the *Halal* Supply Chain Among MSMEs in Bengkalis

From the consumer’s perspective, transparency regarding *halal* information has been shown to influence the level of trust in MSMEs products. Consumers tend to feel more confident when businesses provide clear explanations about raw materials and production processes. According to the first consumer, Serlina Oktia, she stated that:

“If the seller is open about the ingredients and the process, I feel more confident about buying.”

However, some consumers still have doubts if a product does not yet have official *halal* certification.

The second consumer, Nuraini, explained:

“If there is no *halal* label or *halal* certificate, there will still be some doubt even if the seller claims the product is *halal*.”

This finding suggests that transparency can directly boost consumer confidence, but it has not yet fully replaced the role of *halal* certification as a formal guarantee. Thus, consumer confidence is built through a combination of open information and the presence of legal proof of a product’s *halal* status.

Challenges and Solutions for MSMEs in Implementing *Halal* Supply Chain Transparency

Based on the interview results, MSMES operators face several challenges in implementing *halal* supply chain transparency. The main challenges include limited understanding of the overall concept of the *halal* supply chain, a lack of knowledge about transparency systems, and minimal use of technology in information management.

According to Nelvi Weriza:

“I don’t yet know how to create a clear *halal* information system, so we’re still doing it in a simple way.”

Additionally, time constraints and a focus on business operations also pose obstacles to developing a better transparency system.

As a solution, SME operators hope for support in the form of education, outreach, and mentoring from relevant parties. Furthermore, the use of simple technologies like social media can also serve as a means to enhance information transparency for consumers.

“If there were training or mentoring, we could understand it better and perhaps implement it more effectively.”

Thus, improving transparency in the *halal* supply chain for SMEs requires support from various parties, both in the form of capacity building for business operators and the provision of systems that facilitate the implementation of transparency.

Discussion

Implementation of *Halal* Supply Chain Transparency for MSMEs in Bengkalis

Research findings indicate that the implementation of *halal* supply chain transparency among MSMEs in Bengkalis has begun, but remains at a basic level. In general, they understand that a *halal* supply chain serves as an indicator that products are safe and suitable for consumption by Muslim consumers, which can boost buyer confidence in the products offered. However, MSMES operators are currently limited to ensuring that raw materials come from trusted suppliers, and some already hold *halal* certificates. Nevertheless, technical aspects of the *halal* supply chain such as raw material tracking or production process documentation are not yet fully understood by MSMES operators. Transparency remains informal and relies on direct interaction between sellers and consumers.

This finding is consistent with Astiwara. (2023) The *halal* supply chain manages the flow of goods, information, and processes with the primary goal of ensuring the *halal* status of products from the start of production until they reach the consumer. Every stage from raw material procurement, production, and storage to distribution must guarantee that the *halal* status and purity of the products are maintained without compromise. Every participant in the supply chain must provide complete documentation, from the origin of raw materials to the product’s distribution history, transparency of information and quality control at every point are key factors in maintaining consumer trust. The *halal* supply chain is crucial to ensuring that products reaching consumers truly meet established *halal* standards.

According to the literature review Sawalni and Ridwan. (2025) transparency in the *halal* supply chain for products that have been certified as *halal* in accordance with Islamic law *Halal* products are those that do not contain prohibited ingredients (such as pork, alcohol, or other prohibited substances), are processed in accordance with Islamic law, and reach consumers safely. The availability of *halal* products enables the public to consume and use them, while also providing added value for businesses in producing and selling *halal* products. According to Risqi et al. (2025) The supply chain encompasses all stages that directly or indirectly contribute to meeting customer demand.

The Qur’an mandates that raw materials used in production be *halal* (permissible under Islamic law) and *thayyib* (good/high quality/not harmful to the body), and calls for transparency in the *halal* supply chain. As a country with a Muslim majority, Indonesia should have Islamic regulations governing the conduct of society whether regarding worship

(relationship with Allah, the Creator), muamalah (interactions among people), or even relationships with nature and the environment. All of this is guided by the primary sources: the Quran and the Hadith. For instance, in Islamic law regarding the consumption and use of products, there must be an understanding of what is *halal* and what is haram. This is explained in Surah Al-Baqarah (2:168), which states: “O mankind, eat from what is on earth that is lawful and good, and do not follow the footsteps of Satan. Indeed, he is a clear enemy to you.”

The Qur'an emphasizes the importance of food that is *halal* (permissible under Islamic law) and *thayyib* (good for health and not excessive), and also that the *halal* status of the production process from start to finish must be clear. The consumption of *halal* food is associated with blessings, physical health, and peace of mind. Meeting the demand for *halal* food is one of the foundations of Islamic economic development. *Halal* food consumed with the intention of worship creates *Maslahah* (public benefit) in both this world and the hereafter. *Halal* food drives the development of the Islamic economy by ethically meeting the needs of the Muslim community (Sawalni & Ridwan, 2025).

The implementation of a *halal* supply chain is crucial for enhancing the competitiveness of SMEs in Indonesia, particularly within the *halal* industry. This concept ensures that every stage of production, distribution, and marketing adheres to Sharia standards, providing a guarantee of *halal* compliance that can boost consumer confidence. With increasingly fierce business competition, especially in the SME sector, the implementation of a *halal* supply chain helps create a competitive edge, improve product quality, and expand market reach. The concept of the *halal* value chain is comprehensive, ranging from the selection of raw materials and the production process to distribution and marketing, all in accordance with Sharia principles. Additionally, limited resources and a lack of guidance from relevant parties often pose obstacles to the implementation of this concept (Marifat et al., 2025).

Thus, the implementation of *halal* supply chain transparency among MSMEs in Bengkalis is still in its early stages and tends to be rudimentary. Business operators generally have a basic understanding of the concept of *halal*, particularly regarding the use of safe ingredients and clean production processes. However, its implementation is not yet supported by a structured and documented transparency system, so transparency practices are still carried out informally through direct communication with consumers. This is also evident among non-Muslim SME operators who continue to strive to maintain the *halal* status of their products as a way to adapt to market demands.

Level of Transparency Regarding *Halal* Information Provided by MSMEs to Consumers

The level of transparency regarding *halal* information provided to consumers remains relatively low and tends to be reactive. Information is generally only provided when consumers ask questions, so it has not yet become part of a proactive business communication strategy. In addition, limitations in the use of media such as labels, packaging, and digital platforms, as well as the lack of *halal* certification, mean that the information provided does not yet meet clear and verified standards.

This is supported by Santoso and Naili El Muna (2025) Transparency in information from the selection of raw materials and the production process through to distribution is maintained with consistent hygiene standards in accordance with Sharia principles, thereby building consumer trust and loyalty. This demonstrates that the segregation of *halal* ingredients, strict production oversight, the use of hygienic packaging, and transparency in information are key factors in maintaining the *halal* integrity of products.

The *halal* status of products, Sharia-compliant production processes, and business ethics form the cornerstone of the *halal* industry's development, alongside increased supply chain transparency. This enhances consumer confidence in the *halal* status of products while

fostering more professional and sustainable governance within the *halal* industry. Furthermore, the level of transparency regarding *halal* information plays a role in enhancing the transparency of *halal* product information. This system clarifies information on raw materials, production processes, and *halal* certification status for consumers. This strengthens consumers' position as stakeholders entitled to clear and accountable information. From the perspective of *halal* industry development, transparency through the *halal* supply chain system has positive implications for increasing consumer trust and loyalty. The clarity of information presented transparently not only strengthens the image of *halal* brands but also supports the creation of a sustainable, competitive *halal* industry ecosystem that aligns with the principles of Sharia economic law. This transparency is a crucial element in building consumer trust while reinforcing the principles of accountability and integrity consistent with Sharia business ethics.

From the perspective of Islamic Economic Law, information disclosure is a form of fulfilling the principles of *al-sidq* (honesty) and *al-amānah* (accountability), which business operators are obligated to uphold in all commercial transactions. Through transparency, the relationship between producers and consumers is built on mutual trust and avoids practices such as *gharar*, fraud, or unclear product information. Furthermore, the implementation of transparency encourages business actors to act professionally and responsibly in maintaining the quality and *halal* status of the products offered. The clarity of information consistently communicated serves as an effective means of social control, as consumers have the ability to assess and monitor the business practices being carried out. This indirectly enhances business actors' compliance with applicable *halal* standards and Sharia norms. Ultimately, transparency aligned with Sharia business ethics not only enhances consumer trust but also contributes to the long-term sustainability of businesses. Honest and accountable business practices build a positive reputation, strengthen consumer loyalty, and support the development of a fair, ethical, and community-benefit-oriented *halal* industry ecosystem (Apriliyani et al., 2025).

The transparency of *halal* information provided by SMEs to consumers remains limited, even though such information should be easily accessible, clear, and unambiguous. Consequently, there is still a lack of transparency regarding *halal* practices among consumers regarding the operations of SMEs.

Consumer Perceptions and Beliefs Regarding Transparency in the *Halal* Supply Chain Among MSMEs in Bengkalis

The results of the study show that consumers' perceptions of transparency regarding *halal* products from MSMEs are fairly positive but not yet fully established. Most consumers trust *halal* products that carry a *halal* label, but the level of trust remains basic. However, some consumers have stated that they would feel more confident if MSMEs provided more detailed information about raw materials and production processes. This indicates that consumer trust is built not only on *halal* certification but also on the level of transparency in the information provided.

Transparency in the *halal* supply chain has proven to play a crucial role in shaping perceptions and enhancing consumer trust. Consumers tend to feel more confident in products that provide clear information regarding raw materials and production processes. Nevertheless, this trust remains incomplete without formal *halal* certification as a guarantee; thus, transparency and the legal validity of a product's *halal* status are two complementary aspects in building consumer trust.

This is supported by research Kurniawati et al. (2025) The principle of transparency is realized through open access to data for authorized parties, which strengthens accountability and builds trust among stakeholders. Consumer and stakeholder trust in the *halal* system is fostered through increased transparency, authenticity, and safety throughout the supply chain. Consumer trust is built by providing information on the origin of *halal* products, from

the source of raw materials to the final distribution stage, to ensure compliance with Sharia principles.

Thus, transparency in the *halal* supply chain not only influences consumer perception and trust but also impacts consumer loyalty and purchasing decisions. This reinforces that transparency is a critical factor in the sustainability of *halal* SMEs.

Challenges and Solutions for SMEs in Implementing *Halal* Supply Chain Transparency

The research findings indicate that the main challenges faced by MSMEs in implementing *halal* supply chain transparency include a lack of comprehensive understanding, insufficient technical knowledge regarding transparency systems, and minimal use of technology in information dissemination. Therefore, sustained efforts are needed through education, outreach, and guidance from relevant parties, coupled with the use of simple and accessible technology, to support more effective implementation of transparency and enhance consumer trust in MSMEs *halal* products.

Transparency in the supply chain means knowing the production location, how the product is made, labor practices, the journey of goods from their origin to the consumer's hands, and the environmental impacts occurring throughout the process. Amid an increasingly complex global economy, it has become difficult to track all the stages involved in the process of manufacturing goods until they reach the consumer. The goal of supply chain transparency is to provide broader access to information on every part of the process, both for the companies producing the goods and the consumers purchasing them. Supply chain transparency also involves providing access to information to external parties such as customers.

There is a challenge in the form of limited information, so solutions that can help boost consumer confidence in products are needed. For example, when consumers see clear information printed on the packaging, they feel more confident and secure. This is crucial because consumer trust is a valuable asset in building a business. If consumers trust your brand, they will return and purchase the products or services you offer. However, the ongoing challenge is not only focused on *halal*, but also on the principle of *tayyib* (good, hygienic, and safe), which is an absolute requirement for food products. Fulfilling this principle of *tayyib* requires exceptional discipline in the implementation of sanitation and hygiene throughout the production facilities. Thus, *halal* is a crucial prerequisite for maintaining the integrity of *halal* products (Ayumara et al., 2025).

In addition, solutions for SMEs in implementing transparency in the *halal* supply chain for *halal* products include the following aspects:

a. Implementation of *Halal* Supply Chain Transparency

The main solution proposed by this study is the implementation of a phased approach to transparency, starting with simple record-keeping, increasing information disclosure, and consumer education, all the way to ensuring that the materials used in production and distribution are safe and *halal*. This approach is well-suited to the conditions of MSMEs in Bengkalis, which still face resource constraints, and thus significantly impacts consumer trust in the products offered by these MSMEs. Additionally, it is crucial for SMEs to enhance transparency with consumers, improve product quality, and continuously update their knowledge and skills through training and business education.

b. Religious Awareness

Religious awareness is a key factor influencing Muslim consumers decisions to purchase *halal* products, as they place great emphasis on Sharia principles when selecting the products they consume. This religious awareness drives a preference for products with *halal* certification, which provides assurance that the products comply

with Islamic principles

The business development undertaken by Micro, Small, and Medium Enterprises (MSMEs) has been steadily increasing, over time, these businesses have given rise to a diverse food industry. Food products from MSMEs circulating in the market, with varying ingredient compositions, often contain ingredients unsuitable for public consumption, where the *halal* status of a product is a matter of concern regarding the level of awareness and understanding of *halal* products.

Therefore, in accordance with religious principles particularly when seeking or purchasing products Muslim consumers must be more careful to verify whether a product has been certified *halal* by religious authorities in Indonesia. Given the demand for *halal* products, there is also a need for business owners who are mindful of the *halal* status of their operations, as this directly influences consumer purchasing interest (Zulaikha et al., 2024).

Based on the explanation above regarding religious awareness of *halal* products, Muslims understanding of the concept of *halal*, the *halal* process, and *halal* principles ultimately leads them to prioritize *halal* food for their consumption. The more they understand the concept of *halal* and the *halal* process, the more selective Muslims tend to be in choosing the products they consume.

c. *Halal* Certification

The presence of *halal* certification significantly influences their purchasing decisions, indicating that Muslim consumers require assurance from authorized institutions to ensure that the products they consume meet the standards they have established. Furthermore, *halal* certification is a key factor considered by Muslim consumers, as they find that trust in *halal* certification plays a crucial role in shaping *halal* product consumption behavior among Muslim consumers.

Halal certification also provides significant benefits for MSMEs businesses, such as increased consumer trust, access to global markets, and legal compliance. With *halal* certification, MSMEs can expand their market share, increase revenue, and add value to their products. Therefore, although the process may require extra time and effort, *halal* certification is an important step for MSMEs in coping with increasingly complex market competition (Camelia et al., 2024).

As such, *halal* certification can build consumer trust, open up broader market access, and help SMEs differentiate their products in an increasingly competitive market. Furthermore, with *halal* certification, SMEs can comply with applicable legal requirements, prevent potential legal issues, and protect their business reputation. Therefore, *halal* certification is not only a necessity but also a must for SMEs.

d. Availability of *Halal* Products in the Market

Apart from religiosity and certification factors, the availability of *halal* products in the market plays a role in influencing consumer behavior, this is reflected in several residents who admit that they tend to choose *halal* products that are easily accessible (Sugiharto, 2025). The availability of *halal* food products according to Islam means that the product is *halal* in its substance, *halal* in its procurement or method of acquisition, and *halal* in its processing. In other words, the product must meet all *halal* requirements. Consuming *halal* food products has significant benefits for body health. *Halal* food tends to have superior nutritional quality due to its strictly inspected production process and *thayyib* requirements, which ensure the food quality is maintained at an optimal level. Applying *halal* standards to food processing ensures that the product is processed with high hygiene standards. This can minimize contamination by microbes and hazardous materials, thereby protecting consumers from food and beverage-related diseases in accordance with established sharia provisions (Jauhari, 2024).

Conclusion

Based on the research findings, it can be concluded that the implementation of *halal* supply chain transparency among MSMEs in Bengkalis is still in its early stages and has not yet been managed systematically. Although business operators understand the importance of the *halal* and *thayyib* concepts in maintaining consumer trust, their implementation remains rudimentary and is not supported by structured record-keeping and documentation. The transparency practiced tends to rely on trust in suppliers and direct communication with consumers, rather than through a comprehensive *halal* supply chain system. Additionally, the disclosure of *halal* information to consumers remains low due to its reactive nature, where information is provided only upon request. The absence of *halal* certification can also result in the information provided lacking clear standards, leading to an information gap between business operators and consumers, although, in general, consumer perceptions of SME products are already quite positive and clear.

Furthermore, consumers are also beginning to demand greater transparency not just in the form of *halal* certification, but also information regarding the origin of raw materials and production processes. This indicates that transparency plays a crucial role in building trust, fostering loyalty, and influencing purchasing decisions. However, efforts to implement transparency still face obstacles such as limited technical knowledge, a lack of guidance, and minimal use of technology by MSMEs actors. Therefore, targeted improvement measures are needed, namely through increased education and guidance on *halal* management, the implementation of simple digitalization for recording and conveying information, the acceleration of *halal* certification, and improved product accessibility in the market. With government support and a commitment from businesses to be more open and structured in conveying *halal* information, a *halal* industry ecosystem can be created that is more transparent, accountable, professional, and highly competitive.

Recommendations

Based on the research findings summarized by the researchers, the following recommendations are provided: to improve the transparency of the *halal* supply chain in Bengkalis, MSMEs operators are advised to begin independently documenting raw materials and proactively communicating product *halal* information through packaging and digital media. These steps must be supported by the local government through technical assistance in *halal* management, facilitation of affordable *halal* certification, and ongoing education regarding the principle of *thayyib* (cleanliness and safety). Through collaboration between business operators' honesty in production record-keeping and oversight from critical consumers, a *halal* industry ecosystem will be created that is more accountable, professional, and highly competitive.

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