Exploring perception and resistance on halal labeling: An insight from Denpasar, Bali

L.A. Perguna*, S. Triharini & D.S. Pahlevi

Universitas Negeri Malang, Malang, Indonesia

ABSTRACT: This article aims to describe the dynamics of halal labeling in Bali, especially in Denpasar City. Halal dynamics have become a paradox within the non-Muslim community. This research used a qualitative approach. Data was gathered through interviews and non-participative observation of food stall owners, Denpasar's Hindu indigenous and Muslim residents, selected by combining purposive and snowball methods. The first group interpreted the existence of halal food stalls as enriching food choices. Halal food stalls influence Bali's social economy. The second group was resistant to halal labeling. The opposition was showed by introducing halal's anti-thesis, which is called *Sukla*. The third group is moderate. This group presumed that halal labeling strengthens tourism destination image. However, it might slowly deface Bali's position as a cultural tourism destination.

Keywords: halal labeling, dynamics, significant, informal sector, *Sukla*

1 INTRODUCTION

The great potential of global Muslim tourists visiting Indonesia has made halal tourism one of Indonesia's halal industry's supporting sectors. The halal industry is one of the fastest-growing business sectors in the global market, which includes finance, service, transportation, tourism, and food. In 2019, Indonesia, along with Malaysia, placed on top as countries with the best halal tourism destination. There are many factors of why Indonesia placed top as having the best halal tourism, one of which was halal dishes and food availability that are widespread and easy to find.

Food is a necessity of life that provides energy and nutrition for growth, and there is tremendous market potential for halal food as Islam is also growing at a fast pace (Khalek & Ismail 2015; Munich Personal RePEc Archive (MPRA) 2016). Many food companies are applying for halal certification to meet the demand, especially in European countries. The availability of halal dishes, especially halal-certified dishes, is an important aspect of Muslims' traveling (Dinar standard 2012). Halal certification or halal labeling is a benchmark for Muslim tourists that the food and beverages they consumed are guaranteed to be halal because of the ingredients, agriculture, management, and presentation (Jaelani 2017; Soon et al. 2017).

Currently, food has become the first priority halal lifestyle sector among Muslims. The need for halal food has turned it into a halal lifestyle. The halal lifestyle makes a potential market to be developed from upstream to downstream industries. One of the industries is the tourism industry. As part of the industry, tourist destinations must provide halal services ranging from products, services, and facilities to the environment (Vargas-Sánchez & Moral-Moral 2019). The availability of halal services is essential as an effort to maintain a destination place image.

One of the areas that has become a reference for tourist destinations in Indonesia is Bali. In Bali, especially Denpasar city, halal services have started to disseminate massively in several attributes, including food, beverage, and restaurant products. Food stall services are easy to find in Denpasar

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*Corresponding author

city. The stalls can survive and continue to expand amid the major Hindu society of Denpasar. Halal labeling in food stalls or restaurants in tourism is an important element for domestic and foreign Muslim tourists and the indigenous Muslim community in Denpasar, which amounts to 28% of the total population (BPS 2010). For Muslims, halal labeling is very important when looking for a culinary place, whether it is officially labeled or only by the seller. Halal discussion is related to food products and non-food products such as cosmetics, pharmaceuticals (medicines), leather crafts, fragrances, and services such as banking, entertainment, tourism, and logistics (Rahim & Shahwan 2013). The widespread aspects of halal are the result of the elaborated definition of the word halal, which is often constructed differently (De Nastiti & Perguna 2020). This halal construction has implicated the public's response to the word halal. On the other hand, the word halal is sometimes counterproductive to other cultural values (Wilson & Liu 2010). The norms of behavior and teachings of Islam are often imagined to contradict Western societies' norms or other non-Muslim societies (Henderson 2006). For example, some religions allow the consumption of pork, but it is prohibited for Muslims. This is understandable as the strength of culture and religion greatly influences an individual's perceptions and behavior towards themselves and others (Delener 1994; Essoo & Dibb 2004; Zamani-Farahani & Musa 2012).

On the other hand, the word halal can also have a positive definition, especially in the context of fulfilling Muslims' needs, boosting regional economies, expanding consumers' market segmentation, especially in the field of culinary tourism, and gradually changing the image of Bali as 'non-halal' tourist destination (Fischer 2011; Republika 2015). The massive presence of halal stalls in Denpasar is a sign that halal can have a positive meaning. Much research on halal tourism focuses on destination marketing and economic issues (Battour & Ismail 2016; Bttour et al. 2010a; Carboni et al. 2014; El-Gohary 2016; Henderson 2016; Khan & Callanan 2017; Ryan 2016). Perceptions about halal tourism and result products have been discussed. However, publications discussing halal labeling dynamics and its exploration of stalls as the informal sector in Muslim minority areas are yet to be available. This article focuses on halal labeling dynamics in the informal sector such as stalls in Muslim minority areas of Denpasar city.

2 METHODS

Exploratory qualitative research was used in this study. An exploratory study was conducted to explore the dynamics of informal sector-based halal restaurants or stalls in majority Hindu believer's locations. The research was in Denpasar city. As the capital city of Bali Province, Denpasar can represent the condition of Bali, although not to generalize other cities/regencies in Bali. Data collection techniques were carried out through observations and interviews with halal food stall owners, both those with halal and non-halal labels. Interviews were also conducted with Denpasar's Hindu indigenous (former Regional Representative of the Republic of Indonesia candidate) and Denpasar's Muslim residents (Indonesian Ulema Council and local mosque organization figures). The research was conducted from July to September of 2020. The informants were selected by using purposive and snowball techniques. This technique was carried out so that the data obtained were representative and reliable to explore the dynamics of halal culinary entrepreneurs in Denpasar who developed their business as an integral part of tourism in Bali. The focus of the question is the causal effect of halal labeling, the response and resistance toward the labeling, and the image of Bali as a tourist destination after the expansion of halal labels.

3 RESULTS AND DISCUSSION

3.1 *Halal labeling as signification*

Many businesses and entrepreneurs do not realize that having a halal-certified businesses implies a big responsibility towards Muslim consumers (Ibrahim et al. 2010). Especially in Indonesia, where more than 80% of the population is Muslim, the obligation to even need a halal certificate

is still quite low, though halal certification is an administrative and legal proof of the halal-ness of food products produced by the culinary business. On the one hand, culinary businesses' existence continues to flourish in Denpasar from large to small, both modern and traditional. On the other hand, if the focus is on halal-certified food availability, it is still difficult to find food that is officially halal-certified by the Indonesian Ulama Council as the official institution that issues the certificate. Only 3% of dining or restaurants are halal certified throughout Indonesia (Paramitha 2018).

There are many obstacles and challenges faced by dining places and restaurants to have an official halal certificate, including in Denpasar. Problems that arise are due to limited funds, time-consuming processes, and limited knowledge, especially for the informal sector (food stalls in the context of this article). The status of halal food stalls included in the informal sector category causes them not to consider the necessity for an official halal certificate. For them, the most important thing is showing the word halal or Muslim. These small-scale actors assumed that Indonesia is a Muslim country, so self-labeled halal is enough to automatically indicate their food as halal. Halal became its own identification, which shows that consumers can find halal food and beverages that don't have a halal certificate. The inscription is a signifier for the consumers. A signifier is a meaningful streak that is captured by the senses physically and is very materialistic. Because of the importance of halal or Muslim inscription, almost all food stalls in Denpasar uses this label. More than 600 food stalls in Denpasar uses this signifier. Their reason is simple; to indicate the stalls are serving food that can be consumed by Muslims. At the same time, it is part of a marketing strategy to attract non-Muslim consumers with no food prohibition under religious teachings outside Islam.

From the existence of the signifiers "halal" and "Muslim", the concept of the signified is raised. The signified is a conception or symbol of the signifier. Halal labels that appear in food stalls, although not officially interpreted by consumers, are stalls that provide food that is allowed and permitted to be consumed according to Islamic values. There are no prohibited components that cover all aspects, starting from agriculture to food on the table (Soon et al. 2017). The relationship between the signifier and signified, which cannot be separated, is known as significant. Halal is a significant concept. In the significant concept, the signifier and the signified relationship are arbitrary as various signifiers can be used to show the same concept.

3.2 *Halal foods stalls dynamics*

One of the fast-growing informal sectors in Denpasar is the food stall business. As far as the eye can see, we can easily find food stalls. The existence of these stalls has an important role in the effort to contribute to urban development as it can occupy labor and contribute to the government's revenue. These stalls also contribute to supporting tourism by providing facilities and services for tourists in Denpasar. This facility is clearly needed, especially for Muslims, to give easy access to a halal place to eat. Halal food is a priority and Muslim's main lifestyle when deciding whether to eat or drink. They will try hard to find a halal place to eat in Denpasar, especially for visiting Muslim tourists. As Muslims are a minority, both tourists and Muslim residents in Denpasar will not be careless in choosing where to eat. They try hard to avoid foods that are prohibited by Islamic law in Denpasar, such as pork, dog meat, or others. The halal life-style is mainly on food, which in turn also causes the increase of halal labeled food stalls. The number exceeds restaurants or stalls that offered pork, dog meat, and prohibited things by Islamic law. Based on census-based research results, there are 616 food stalls dedicated to Muslims and 123 restaurants/food stalls exclusively for non-Muslims. This data shows the existence and acceptance of halal food stalls in Denpasar. This number also shows that halal products and services do not exclusively belong to the Muslim market but also all societies.

In Denpasar, there are three typologies of society regarding the massive presence of halal food stalls. The first type is a group of people who agree with the presence of halal food stalls. Denpasar residents (non-Muslims) think that halal food stalls provide a choice for the community other than foods that are popular in Bali but forbidden for Muslims such as *Babi guling* (roasted pork), *sate plecting* from pork, *lawar* (bats), and others. The group that agrees considered halal food to have

a distinctive taste and considered it different from non-halal food (made from pork). Halal food products are considered attractive to non-Muslim consumers due to safety, hygiene, and health concerns (Stephenson 2014). These halal dining place or restaurants are inclusive for anyone. This inclusiveness is also advanced by some sellers in halal food stalls by not selling products made from beef. The cow is considered a noble animal by Hindus as it is the vehicle of Lord Shiva. Due to its glorification, Hindus do not eat beef. This is different from the Islamic concept of not eating pork because it violates Islamic law (haram). As for the Muslim community, the presence of many halal stalls in Denpasar is their main choice. This choice is based on the Muslim belief that eating halal food is a religious command. They will never try foods other than those with a halal label, although there are Muslims who still consume non-halal food.

A second group is a group that is resistant to the presence of halal food stalls in Denpasar. The forms of opposition vary. For the seller, they put the label 100% Haram. This label is the anti-thesis of 100% Halal. Muslim or first-time Muslim tourists will be surprised to see the label. This phenomenon occurred for the first time since 2014 as a response to the issuance of Law Number 33 of 2014 concerning the Halal Product Warrant. This law requires all products to be halal certified. This certificate will be issued by the Indonesian Ulema Council when the product is declared halal. Halal means fit for consumption and under Islamic provisions. Meanwhile, for the Balinese, who are predominantly Hindu, their merchandise is processed food from pork, which in Islam is prohibited. Even though they sell food made from halal ingredients, it is not certain that they pass the halal certification because the cooking method is different and may not be considered under Islamic law. This was the situation of a 100% haram label for culinary entrepreneurs in Bali in general. The act was a form of protest against the law because it is considered as the domination of Islam as the majority religion in Indonesia, even though Indonesia is not a country with Islamic principles.

Another form of resistance was that several community groups created social movements with the big theme of *Sukla Satyanugraha*. This movement is a form of dominant resistance against the regulation. Although Sukla's use term as food that is suitable for consumption by Hindus is still a polemic, this movement voices and urges Balinese people to shop at Balinese stalls and not shop at stalls owned by Muslims or outside Bali. Another extreme resistance measure is building a certification movement for Bali's food stalls with the label *Sukla*. *Sukla* does not mean halal or non-halal (Haram). In simple terms, *Sukla* means the process of purification of food from preparation to serving. This movement is considered able to unite Hindus amid the hegemony controlled by the newcomer. The researchers observed that newcomers living in Denpasar, some of whom are Muslims, are reluctant to shop for food owned by the Balinese. On the other hand, the native Balinese do not have problems shopping and buying food at stalls owned by newcomers. This condition benefits newcomers' traders as their customers are not only from the Balinese Hindu community but also from the Muslim community. As an affirmation and confirmation of identity, Muslim food vendors put the words 100% halal, *Warung Muslim*, *Warung Jawa* and others. This phenomenon causes the Balinese to feel recessive that resulting in the creation of several phrases, such as *Orang Bali Jual Tanah Untuk Beli Bakso* (Balinese sells land to buy meatballs), *Jawa Jual Bakso untuk Beli Tanah* (Javanese sells meatballs to buy land).

The third group is neutral and impartial with many halal stalls in Denpasar. This group can be called the moderate group. This group assumes the halal labeling was not made following authority interests through the regulation establishment, but rather following the necessity of the consumers, including consumers in Bali who are mostly tourists. The non-Muslim Denpasar community understands the vast amount of food stalls that are labeled halal. This is seen as an effort to reflect Denpasar and Bali as friendly to Muslim tourists. Apart from the need to fulfill the necessity and the image of Denpasar tourist destinations, for sellers, the emergence of halal labeling is considered a marketing strategy to attract consumers, especially Muslims. Since the need for halal food has become a Muslim lifestyle, it is only natural for destinations to provide this halal food with the available food stalls. When a tourist destination such as Denpasar provides halal products, it will impact tourist visits, especially Muslims, to these tourist destinations. This tourist visit will provide a multiplier effect for tourist visiting areas.

They also viewed that if the *Sukla* labeling initiated by the *Sukla Satyanugraha* group could provide a sense of comfort for consumers, it would certainly invite consumers to come shopping. The nature of halal and *Sukla* labeling is a matter of each individual's belief, so it is very basic and personal. The moderate group also thinks that Denpasar's vast halal label will slowly eliminate and mar Bali's image as a cultural tourism destination with its own local wisdom. This group does not show open resistance like the second group. However, they are more focused on how this halal-labeled shop can flourish in Denpasar and how indigenous (Hindu) stalls can also survive and develop. They assume that the presence of this shop can also provide comfort for Muslim tourists, especially in carrying out worshipping under the Islamic law when traveling without intending to alienate and limit non-Muslim tourists from one tourist destination. It is hoped that halal stalls services can provide safe and healthy services while introducing Islamic teachings without discriminating against other teachings.

4 CONCLUSION

The halal label is the most important aspect in food/beverages along with the increasing of halal lifestyle in Indonesia, including in Denpasar, Bali as one of the most popular tourist destinations in Indonesia. For the image of tourist destinations to continue to increase, support from all elements is needed, including halal food stall services. Due to its importance, this halal label can be observed to be flourishing of the number of food stalls with a halal label in Denpasar, which is four times more than the number of non-halal food stalls. Its existence triggers a dynamic in the community. Some agree with halal labeling. Some strongly oppose and against the halal label, namely *Sukla*. Some are neutral with a variety of rationales.

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