

# The Relationship between Halal Practices and Financial Performance among F&B Service Industry in Batu Pahat

Ummi Nurain Pakhruddin<sup>1</sup>, Nor Kamariah Kamaruddin<sup>1\*</sup>

<sup>1</sup> Department of Management and Technology, Faculty of Technology Management and Business, Universiti Tun Hussein Onn Malaysia, Batu Pahat, Johor, 86400, MALAYSIA

\*Corresponding Author: [nkamariah@uthm.edu.my](mailto:nkamariah@uthm.edu.my)  
DOI: <https://doi.org/10.30880/rmtb.2025.06.02.013>

## Article Info

Received: 30 September 2025  
Accepted: 01 November 2025  
Available online: 01 December 2025

## Keywords

Financial performance, F&B service industry

## Abstract

The F&B restaurant service industry is one contributor to Malaysia's halal business. There are three research objectives in this study, mainly to examine the level of financial performance among F&B restaurant services in Batu Pahat. Secondly, examine the level of halal practices among F&B restaurant services in Batu Pahat. Lastly, examine the relationship between halal practices and financial performance among F&B restaurant services in Batu Pahat. However, many industries focused less on their organisations' financial success and focused more on their operational procedures. Also, there are industries that did not receive a halal certificate due to being unable to achieve an effective performance management standard. Next, difficulty with the certification management procedure due to ineffective communication at the managerial level. The researcher conducted a quantitative research approach by using a questionnaire to collect data. The study response rate is 99.38% of 160 respondents through a questionnaire using two data sets, which were analysed using SPSS software. The result showed a weak negative relationship ( $r=-0.112$ ). The findings revealed that the mean score of the very highly correlated analysis indicated a negative relationship between two independent variables, which are Halal and Thoiyyib and IHC, while the staff showed a weak relationship with the financial performance among the F&B service industry in Batu Pahat. The results of this study can also be used by policymakers and regulatory bodies to assess the effectiveness of Halal certifications and standards, providing guidance for enhancing the regulatory environment in the F&B industry.

## 1. Introduction

According to halal Sharia legislation, halal means permitted, approved, sanctioned, or legitimate, which means the halal cuisine is defined by the legislation. On the other hand, haram denotes something prohibited or illegal to consume, which are items classified as haram that should not be eaten. The argument over what constitutes haram, and halal is seen by Muslims as a foundation for comprehending and implementing Islam. A Muslim must avoid suspicious situations in order to determine their position in line with Islamic law (syubuhat). Furthermore, the worldwide food and beverage (F&B) industry has seen considerable movement towards ethical, environmentally friendly, and culturally sensitive business practices. Halal procedures have gained popularity not only in Muslim-majority nations but also in areas with growing Muslim populations and rising demand for Halal-certified products (Nisa, 2024). Halal practices are more than just religious conformity; they also signify a

dedication to cleanliness, quality, and ethical standards in production and service. This has positioned Halal practices as a strategic option for firms looking to expand their market and create consumer trust. In this case, the industry that adopted Halal practices typically pursues Halal certification as a formal recognition of their compliance with Halal standards (Ahmed, 2022). Furthermore, with halal certification, companies may enter these markets with their products and satisfy local customers. It's essential to keep in mind that halal certification encompasses more than just breaking into marketplaces in nations where Muslims predominate and Muslim customers can be found anywhere, including in Western countries.

Halal certification has risen to the forefront as customers worldwide become more educated, health-conscious and demanding. It has been a strategic technique employed by many businesses to sustain consumer demand and differentiate themselves from the competition. In order to support continual improvements in company performance, these F&B service industries use several programs to assist them in achieving their objectives. It shows that the Halal sector is a massive and fast-developing market area and represents a new force in market organisation and identification. This reflects that Halal food is becoming an increasingly important element of consumers' diets, and it has grown into a multibillion-dollar worldwide sector including multinational corporations that have aggressively extended their halal-certified product lines (Salindal *et al.*, 2018). The findings from this research will provide halal-registered and soon-to-be-registered enterprises with a broader and more realistic understanding of what to anticipate from halal certification.

Research on sustainability reporting and halal certification is still not given much attention in the modern day. In recent years, most businesses throughout the world have focused less on their organisations' financial success and have focused more on how their operational procedures impact social concerns and the environment (Arieftiara *et al.*, 2022). The firm is eager to maintain the halal label, which recognises nutritious and halal products, because the consumer is only interested in the halal label. According to Rakhmatyar (2022), the survey found that SMEs with halal certification had a 12% larger profit margin than those without certification. This finding reveals that Halal certification has a positive impact on business performance; however, many F&B services do not pay attention to the benefits of implementing Halal due to a lack of knowledge and awareness (Baharuddin *et al.*, 2015).

Furthermore, the F&B service industry must ensure that Halal status is always maintainable at organisational levels. Obtaining and keeping halal certification in the food and beverage service sector poses numerous obstacles. However, there are industries that did not receive a halal certificate due to being unable to achieve an effective performance management halal standard (Othman *et al.*, 2019). This is because sustaining elevated levels of cleanliness, quality, and ethical conduct demands persistent dedication and allocation of resources. Moreover, enterprises face the intricate task of reapplying for certification, a process known for its time-consuming nature and complexity. For instance, in 2012, 3,828 Malaysian Halal Certificate (SPHM) applications were successfully processed out of 4,396 submitted nationwide. This shows that 12.92% F&B businesses are still unable to achieve the halal standard.

According to Muhammad *et al.* (2020), the establishment of effective communication channels between Halal Auditors and Halal Executives is crucial yet often problematic, adding another layer of difficulty to the certification management procedure. These dynamic underscores the multifaceted nature of maintaining halal certification within the industry. This indicator represents the halal practices consisting of Halal and Thoyyib, internal halal process and staff as the predictor of financial performance. According to Muhammad *et al.* (2020), internal factors emerge within the organisation, while external factors come from outside it. These challenges impact halal food management systems like those in the Halal Assurance System (HAS), guiding industries on effective implementation and control of halal purity. This system covers product recall procedures, traceability documentation, and a filing system for halal applications.

The third matter relates to numerous cultural contexts and ways of interpreting religious doctrine that have produced a complex picture of what is considered "Halal". Consistent adherence to halal dietary practices is essential. According to Othman *et al.* (2019), Halal certification allows non-compliant companies to reapply once they meet the certification body's requirements. The certifying authority will use existing measures to act against irresponsible companies, even if they have already received certificates. This study shows that Halal certification significantly impacts financial performance since Halal is one of the indicators of consistent adherence to Halal dietary practices, especially in Halal F&B service industries.

## 2. Literature Review

### 2.1 Financial Performance

According to Kenton (2023), financial performance measures an organisation's capacity to earn revenue from its assets, and the process is crucial for an organisation's long-term success. We can determine that to assess financial success; one must examine the process to see if the actual results match the desired results. The debt-to-equity ratio, inventory turnover, accounts payable and receivable turnover, return on equity, working capital,

operational cash flow, and finance's KPI are just a few of the many indicators (Mohsin *et al.*, 2020). As an example, an illustration of financial performance might involve a retail business that boosts its sales income by 20% compared to the prior year. According to Azmi (2024), investing in halal certification may result in large financial rewards, as demonstrated by firms that have already boosted sales and market share through certification.

According to Madun *et al.* (2022), the service industry might enhance how happy their customers are, making them more satisfied with their purchases and the service they receive from Halal F&B because of the compliance with halal practices. Evaluating prior performance is an important part of any business plan. Companies can acquire significant insights into future plans and drive success by analysing past triumphs and mistakes (Capital, 2024). It enables firms to determine what went well, what did not achieve, and what can be modified for better outcomes.

## 2.2 Halal Practices

GSCM procedures may be characterised as a method of dealing with business challenges within an alliance. Organisational learning and risk acceptance may be essential collaborative aspects for the effective adoption of environmental practices (Santos *et al.*, 2019). Green activities that begin with design, procurement, manufacture, and distribution and conclude with product recovery can be classified as GSCM practices, with the purpose of reducing, reusing, and recycling resources to mitigate environmental impacts (Habib *et al.*, 2021). GSCM practices have an impact on customer cooperation, supplier collaboration, and monitoring. Suppliers and consumers, according to stakeholder theory, both play an essential role, but coordination and collaboration among them will eventually supplement the GSCM (Ahmed *et al.*, 2020).

## 2.3 Halal and Thoiyyib

One concept that Muslims are encouraged to adhere to universally is the Islamic way of life, which encompasses a comprehensive set of ethical, moral, and social guidelines derived from the Quran and Hadith. This holistic approach influences all aspects of human existence, fostering positive impacts on personal development, social relationships, and community well-being. According to Nafis (2019), a specific study requiring multidisciplinary knowledge, such as knowledge in the domains of food, chemistry, biochemistry, industrial engineering, biology, pharmacy, and comprehension of Sharia, is required to determine the halal and purity of the product. In the economic sector, adherence to Islamic principles has led to significant growth in the halal food industry. This halal industry not only ensures compliance with dietary laws but also emphasises cleanliness, safety, and ethical treatment of animals, leading to higher quality standards that benefit consumers globally (Al-shami & Abdullah, 2021). The rapid expansion of the halal market illustrates how Islamic principles can drive economic development, create job opportunities, and encourage cross-cultural trade and understanding. As the demand for halal products increases, businesses worldwide are recognising the economic potential and are striving to meet these standards, further integrating Islamic values into global commerce. The concept of Halal and Thoiyyiban consists of six indicators, which will be explained in the next section.

### 2.3.1 Raw Materials

Raw materials are used as the primary basis for determining Halal and Thoiyyib in determining Halal compliance (Othman *et al.*, 2019). Users and consumers were forced to choose to buy halal items due to standards in the halal process. According to Nuratifah *et al.* (2019), to ensure that the halal status assurance is more dependable and can be maintained, it is crucial that the processing of halal food production be managed in accordance with the guidelines in the standard.

### 2.3.2 Storage

Aside from raw material, storage is one of the essential elements of Halal Logistics. In logistics, items typically spend more time in storage than in transit and during the transformation process. Therefore, this is a crucial point to make when discussing Halal compliance for warehousing and storage. According to Hafizan and Sunitawati Karim (2021), the storage situation becomes challenging to the halal warehouse operations as the operation process between a Halal warehouse and a conventional warehouse is quite similar and more or less the same process as receiving, put away, storage, cross-docking, order picking and shipping.

### 2.3.3 Equipment and Hardware

Equipment and hardware used in halal production must meet certain requirements, including materials, production process and inspection and maintenance (MKT, 2024). Firstly, the materials used to make food contact equipment must be halal, meaning they cannot contain any Haram ingredients such as pork fat or leftovers from animals that were not killed in accordance with Islamic rituals. Secondly, there must be no touch or cross-contamination with prohibited material throughout the tool's manufacturing process (Halal Foundation Editorial

Team, 2025). Means that to retain their purity and adhere to Halal standards, tools need to be inspected and maintained on a regular basis.

### 2.3.4 Packaging, Labelling and Advertising

Throughout the supply chain processes, packaging is crucial to the containment, safeguarding, and preservation of goods. It is anticipated that the packaging for a product with halal certification will safeguard and maintain its halal integrity until it is delivered to the customer (Bujang & Bakar, 2023). This is because the transparency with regard to ingredients, production processes, and pertinent certification emblems and symbols is further ensured by halal packaging and labels. According to Islamic Services of America (2024), customers are further reassured by it that whether product complies with halal values by viewing the quality of the product as being reflected in the packaging. According to the research, Halal advertising, often known as Islamic marketing, is a concept based on the belief that Islam influences Muslim consumer choices (Suleiman, 2021).

### 2.3.5 Transportation and Distribution

During transportation operations, there is a chance of cross-contamination between Halal and Non-Halal materials. According to Hafizan and Sunitawati Karim (2021), there is a risk that the credibility of Halal will be weakened by the sharing of containers, low visibility of the inventory in which containers are in transit, the history of immediate manufacturers, the history of immediate operation, and the division of space in the same containers between Halal and non-Halal goods.

### 2.3.6 Staff

According to Xiang (2024), all enterprises, including snack companies, cosmetic brands, and food and beverage establishments, must have at least one Malaysian Muslim employee to qualify for halal certification, while medium-sized to large businesses must employ two or more Malaysian Muslims. Depending on the size, category, and function of the company, a minimum number of Malaysian Muslims must be employed there in the Halal F&B service industry. The obligation of management to expose staff members to any legally permissible training is also stated in the Manual Procedure for Malaysia Halal Certification (Third Revision) 2014.

### 2.3.7 Internal Halal Control

In the Third Revision of the Manual Process for Malaysia Halal Certification (2013), each member of the Committee on Internal Halal appointed is responsible for creating a special file that is signed as proof of conformity to requirements and implementation of the Halal Assurance Management System, according to the guidelines for the system's implementation of the Malaysia Halal Certification 2013. It includes a list of halal threats and halal essential parameters of the point, the manual halal assurance system, the role and responsibilities of the internal halal committee and the staff responsible for the critical point halal, the minutes of the halal audit committee meetings, and guidelines for monitoring practices and corrective measures (Othman *et al.*, 2019). For review and audit reasons, all records must be retained for a minimum of a year and must continue to be readable, recognisable, and retrievable.

### 2.3.8 Staffing

According to Xiang (2024), all enterprises, including snack companies, cosmetic brands, and food and beverage establishments, must have at least one Malaysian Muslim employee to qualify for halal certification, while two Malaysian Muslims must be employed by medium-sized to big businesses. Depending on the size, category, and function of the company, a minimum number of Malaysian Muslims must be employed there in the Halal F&B service industry. The obligation of management to expose staff members to any legally permissible training is also stated in the Manual Procedure for Malaysia Halal Certification (Third Revision) 2014.

## 2.4 Halal Food and Beverage Service Industry

The Department of Islamic Development Malaysia, commonly known as JAKIM, functions as a governmental agency at the federal level in Malaysia. It is tasked with the crucial responsibility of issuing halal certifications for the food and beverage sectors within the country. Government programs encouraging environmental responsibility and sustainability are what are propelling the use of Halal food and beverage solutions (Azmi, 2024a). These initiatives often emphasise ethical sourcing, sustainable farming practices, and environmentally friendly production methods, which align closely with Halal principles. Furthermore, F&B companies in Malaysia can get a competitive advantage by obtaining a halal certification, which allows them to access a wider consumer base, establish credibility, and improve their market standing (Qashierbrenda, 2023). It shows that Halal Certification is a mark of quality and adherence to stringent standards, which can enhance the reputation of a company and differentiate it from competitors.

Furthermore, Ali (2024) describes halal food as items that align with Islamic dietary laws, meaning they are permissible under Sharia. This involves meeting certain criteria, including no pork or alcohol, proper meat slaughtering methods, and ensuring there's no contamination with non-halal substances. According to Basir (2024), the Halal Beverages Service Industry is responsible for offering drinks that follow Islamic dietary laws. In Malaysia, the Halal Beverages Service Industry is mainly supervised by government agencies. One important agency is the Department of Islamic Development Malaysia (JAKIM). They give out halal certification to food and beverage places. JAKIM also makes rules and checks that businesses follow them. Their job is to make sure everything meets Islamic dietary laws.

## 2.5 Relationship between Halal Practices and Financial Performance in the Food and Beverage Service Industry

The relationship between Halal practices and financial performance in the food and beverages (F&B) service industry has been increasingly recognised as pivotal in recent years. Implementing Halal practices can significantly enhance various performance metrics, including market expansion, customer satisfaction, operational efficiency, and brand reputation. Studies have shown that Halal practice allows F&B companies to access a larger market, including the global Muslim population, thereby increasing sales and market share (Nor *et al.*, 2023). This quick rise has established the halal industry as a promising sector with substantial worldwide economic potential. Interestingly, the business has expanded outside its typical Muslim consumer base to attract non-Muslims as well.

Furthermore, Halal practices, which emphasise quality control and ethical practices, lead to higher customer satisfaction and loyalty, as consumers tend to prefer products that align with their religious and ethical beliefs (Abdul & Ahmad, 2013). Operationally, adherence to Halal guidelines often necessitates stringent quality management systems, which can improve overall efficiency and reduce wastage (Zailani *et al.*, 2019). Additionally, companies with Halal certification are perceived as more credible and trustworthy, enhancing their brand reputation and competitive advantage in the marketplace. According to Hussaini (2024), we can determine that a product with no halal certification will miss out on a critical marketing asset that resonates with a big audience. These factors contribute to improved organisational performance, illustrating the strategic importance of Halal practices in the F&B industry.

Furthermore, a study by Zailani *et al.* (2019) among halal food firms found that halal practices, which included halal materials, storage, and transportation, have a significant relationship with financial performance. Additionally, companies with Halal certification are perceived as more credible and trustworthy, enhancing their brand reputation and competitive advantage in the marketplace. In addition, a study conducted by Zailani *et al.* (2019) also discussed that Halal staffing has no impact on halal firms' financial performance due to the cost of contributing Islamic knowledge towards their workers. Another study shows a contrast between Halal practices and financial performance. A company's length does not guarantee that it will perform better than a more recent one in terms of profitability because it can adjust to shifting risk and economic conditions. In this research, we can determine that the company's financial performance will suffer due to the high maintenance costs for its large assets and the wide range of businesses it engages in, and the company's profit does not grow at a pace that matches the growth of its assets.

## 2.6 Research Framework

Based on the empirical studies that discussed in the previous sub-section, the research framework of the study is shown in Fig. 1. Fig. 1 shows the independent variables, which are Halal requirement practices, namely Halal and Thoiyyib, internal halal process and staff, and the research framework also shows the dependent variable in this study, which is financial performance.

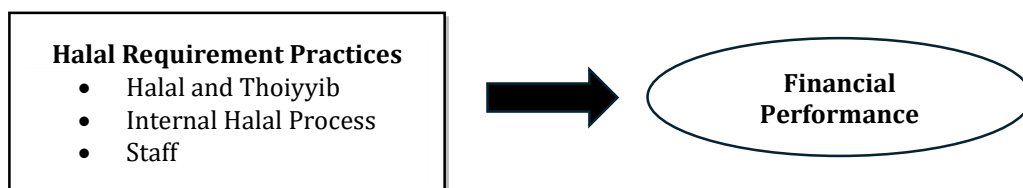


Fig. 1 Research framework

## 3. Research Methodology

### 3.1 Research Design

Research design is the framework of research methods and techniques a researcher uses to undertake a study. All the data is collected to answer research questions and achieve the objective of the study. The reliable research design aims to report findings based on the study's relationships. To analyse this study, the researcher has selected a quantitative method to analyse appropriate data. This is because the information from conducting a questionnaire can be quantified efficiently to get proper answers to the needs of the study. According to Stevens (2023), quantitative data is distinguished by its standardised nature, making it suitable for analytical analysis and interpretation. The researcher chose this research design because it allows him to analyse the intention to practice halal in the F&B service industry using quantitative methods. To achieve the study's purpose, data collected from respondents in the F&B service industry in Batu Pahat were analysed using SPSS software. Demographics were evaluated nominally and scaled, while independent and dependent variables were assessed using a 5-point Likert Scale.

### 3.2 Research Population

The target population is the group of individuals or items used to collect information for a research objective. This allows researchers to reach reliable conclusions. The researcher has meticulously identified the F&B Service Industry in Batu Pahat as a pivotal target population for this study. From the Halal Malaysia Official Portal, the researcher has identified that the population of the F&B service industry that has the halal certificate in Batu Pahat is 278. In this research, the researcher selected a sample size of 160 respondents to answer the questionnaire, especially in the F&B service industry in Batu Pahat. Self-administered questionnaires were distributed through Google Forms to reach a larger audience. Also, the researcher went to a walk-in survey to achieve this purposeful approach, which allows the researcher to acquire thorough insight into the ideas and viewpoints of a certain demographic group in the region.

### 3.3 Sampling Size and Sampling Method

In the sampling method, the researcher chooses probability sampling. The probability of sampling was used to find the likelihood that each given example will be chosen from the target population is predictable and typically equal for every case. This implies that the researcher can accomplish goals and get answers to research questions that demand statistical estimation of the target population's characteristics from the sample. The most typical use of probability sampling in research is in survey approaches, where the goal is to accomplish research objectives and answer research questions by drawing statistical conclusions about the population from the sample (Price *et al.*, 2015). In the probability sampling method, the researcher has identified that simple random sampling is the purest and most straightforward probability sampling strategy. The sample of this study is identified based on the Krejcie and Morgan Table (1970). Based on the table with a sample size of 278, the respondents needed is 159.

### 3.4 Research Instruments

In this study, the researcher used a quantitative survey approach by gathering data from participants using a self-administered questionnaire. The English and Malay version of this questionnaire was created. There are three parts in a separate questionnaire, which are Part A, Part B and Part C. Part A consists of the respondent's demographic profile. Part B aims to assess the intention of halal practices on the F&B service industry. Lastly, Part C aimed to assess the financial performance of the F&B service industry. On Part A, the respondents only had to choose one answer which the most likely about their demographic profile. Meanwhile, on Parts B and C, the respondent must choose the most accurate answer using the Likert scale provided for each corresponding statement. The Likert scale allows respondents to indicate their degree of agreement or disagreement with questions, ranging from 1 (strongly disagree) to 5 (strongly agree). According to the research, each point on the scale denotes a level of agreement or disagreement, providing more information than a simple yes or no question (Geeks, 2024).

### 3.5 Pilot Study

A pilot study is a preliminary investigation conducted on a small scale before the main research project to assess its feasibility and refine research methods and procedures. According to Malmqvist *et al.* (2019), a pilot study helps researchers identify potential challenges, test the effectiveness of data collection instruments, and ensure the practicality of their research approach. Before launching the main study, the researcher conducted a pilot study involving 30 respondents who were selected by the researcher, and they were invited to participate in the questionnaire analysis. To reach potential participants, the researcher distributed questionnaires through Google

### 3.6 Data Collection

Batu Pahat's selection as the focal point for this research is justified by its vibrant F&B halal service industry scene and practical organisation. In this section, the collection of data consists of one type of data collection, which is primary data. A researcher chooses to conduct a questionnaire to collect data because it is a versatile and efficient tool for gathering large amounts of data from an F&B service industry population within a relatively short period. Questionnaires enable the collection of standardised information, allowing for easy comparison and statistical analysis according to halal practices on financial performance.

Primary data is original and collected directly from the source, ensuring its relevance and accuracy for the study. In this research, the researcher employed a questionnaire survey approach for descriptive research to collect primary data. Thus, a self-administered questionnaire was used to get primary data. A set of online surveys and a walk-in survey were conducted using Google Forms and have been sent to participants via internet channels such as Gmail and WhatsApp and went to a walk-in survey. The pilot study collected data in four weeks; however, the actual study took one month owing to the large number of respondents. Questionnaire surveys are one of the most common methods for gathering primary data. This data is frequently contrasted with secondary data, which has previously been acquired and evaluated for another reason.

### 3.7 Data Analysis

This systematic arrangement of data is crucial for interpreting the information accurately and gaining insights into the research question. According to the research by Alem (2020), we can determine that a practical way to define data is that it is numbers, letters, photos or another technique of recording, in a form that can be analysed to make a conclusion or decision regarding a certain activity. The researcher analysed data using both descriptive and inferential methods. The first and second research objectives should use descriptive analysis to assess the level of financial performance and the level of Halal practices among F&B restaurant services in Batu Pahat. Meanwhile, the correlation analysis can be applied to identify the relationship between Halal practices and financial performance among the F&B service industry in Batu Pahat. These analyses help to simplify the analytical process and efficiently communicate results. All statistical studies, including descriptive analysis, reliability analysis, normality testing and correlation analysis, were conducted using Statistical Package for the Social Sciences (SPSS) version 26 as a popular software program for social science data analysis.

#### 3.7.1 Reliability Analysis

In this analysis, the researcher examined the characteristics of measuring scales and the components that make them up through reliability analysis. In addition to calculating a variety of widely used scale reliability metrics, the reliability analysis process offers details on the connections between the scale's constituent elements. Cronbach's alpha is a measure of internal consistency or how closely linked a collection of elements is as a group. According to the researcher, UCLA (2021), we can determine that Cronbach's alpha is thought to be a measure of scale reliability to be applied to the pilot test and the actual study.

#### 3.7.2 Descriptive Analysis

The data gathered from the survey in this study were analysed using SPSS version 26. Advanced statistical analysis, a large library of machine learning algorithms, text analysis, open-source extensibility, big data integration, and simple application integration are all features of the SPSS software platform. Users of various skill levels may utilise SPSS due to its scalability, flexibility, and ease of use.

#### 3.7.3 Normality Test

Before performing the correlation analysis, the normality test becomes a critical step in determining whether the data set fits the normal distribution model and calculates how the variables in the data set are normally distributed. The normality test is designed to determine the distribution of data in the variable that will be used in research (Test, 2018). Since these studies with sample sizes greater than 50, the study will use Kolmogorov-Smirnov to determine the normality of the data. The researcher can observe whether the data is normally or non-normally distributed. The Kolmogorov-Smirnov normality test in SPSS can be used to determine whether the study data is normally distributed, and the researcher can observe whether the data is normally or non-normally distributed. If the p-value > 0.05, the data is normally distributed; if the p-value < 0.05, the data is not normally distributed.

#### 3.7.4 Correlation Analysis

The Spearman's Rho coefficient, or Spearman's rank correlation coefficient, measures the strength and direction of the association between two ranked variables. The Spearman rank-order correlation coefficient (Spearman's

correlation, for short) is a nonparametric measure of the strength and direction of association that exists between two variables measured on at least an ordinal scale (Laerd Statistics, 2018). It is a non-parametric measure, meaning it does not assume a normal distribution of the data. The coefficient values range from -1 to 1, where +1 indicates a perfect positive correlation, -1 indicates a perfect negative correlation, and 0 indicates no correlation. The closer the coefficient is to ±1, the stronger the relationship between the variables.

#### 4. Data Analysis and Findings

##### 4.1 Survey Return Rate

Table 1 presents the results of the questionnaire along with the data analysis. The study is based on the responses gathered from the 159 respondents. The aim of the data analysis is to address the research questions and meet the research objectives. 4.1 Response Rate Table 1 shows that the target of this survey is the F&B service industry located in Batu Pahat. From the Halal Malaysia Official Portal, the researcher has identified that there are 278 restaurants that have the halal certificate in Batu Pahat. The questionnaire was distributed to 160 restaurants. Subsequently, 159 questionnaires were answered, resulting in an approximate response rate of 99.38%.

**Table 1** The response rate of data for the F&B service industry

Population	Sample	Distributed	Response	Response Rate
278	159	160	159	99.38%

##### 4.2 Reliability and Validity Analysis of Pilot Study

To measure reliability and consistency, Cronbach's alpha was used to assess the set of survey items. Both the pilot study and the main study were thoroughly tested to ensure the robustness of the findings. In this pilot test, the researcher has chosen 30 respondents to participate in the pilot test. A total of 30 items were measured, with 26 items for the independent variables (halal practices) and 4 items for the dependent variables (financial performance). Table 4.2 shows that the value of Cronbach's Alpha ( $\alpha$ ) for the pilot test of 30 respondents, the items for HP showed an alpha value of 0.891. Table 2 shows that the items to measure HP have good reliability. Cronbach's Alpha value for all items in the independent variable reveals good and questionable results. Halal and Thoiyyib Cronbach's Alpha reveal a good value of HP is 0.866, while IHC shows questionable value with 0.686, and staff reveals a good Cronbach's alpha, which is 0.804. Furthermore, for the dependent variable, 4 items for used to measure the financial performance. Based on the result, the Alpha value is 0.965, which shows that the items to measure the financial performance have excellent reliability.

**Table 2** Reliability test for pilot test

No. of Respondents	No. of Items	Variables	Cronbach's Alpha ( $\alpha$ )	Result
30	26	Halal Practices	0.891	Good
	15	Halal and Thoiyyib	0.866	Good
	3	Internal Halal Process	0.686	Questionable
	8	Staffing	0.804	Good
	4	Financial Performance	0.965	Excellent

##### 4.3 Reliability and Validity of the Actual Study

Table 3 reveals a good Cronbach's Alpha ( $\alpha$ ) value of 0.860 for halal practices, with a Cronbach's Alpha value for Halal and Thoiyyib of 0.872. Meanwhile, IHC reveal an acceptable result with a value of 0.705, while staffing reveals a questionable result with a value of 0.646 and also a good reliability score of 0.894 for financial performance. These findings highlight the questionnaire's strong reliability in this study, indicating its suitability for use.

**Table 3** Reliability test for the actual study

No. of Respondents	No. of Items	Variables	Cronbach's Alpha ( $\alpha$ )	Result
159	26	Halal Practices	0.860	Good



15	Halal and Thoiyyib	0.872	Good
3	Internal Halal Process	0.705	Acceptable
8	Staffing	0.646	Questionable
4	Financial Performance	0.894	Good

#### 4.4 Demographic Analysis

The demographic data provides an overview of various classifications related to food preferences, operational periods, workforce size, and respondents' positions. Table 4 shows the summary of demographic profile analysis. Regarding the types of food offered, Main Course dominates the selection with a significant 66.67%, followed by Drinks at 14.47% and Desserts at 13.21%, while categories like Snacks, Bread or Wrap, and Sandwiches are minimally represented, collectively accounting for less than 6%. In terms of operational longevity, a majority of businesses (56.60%) have been in operation for more than 40 years, reflecting established enterprises. Those operating for 1–10 years form 25.16%, while other intervals (11–40 years) collectively account for around 18.23%, indicating a lesser representation of mid-term businesses. When examining workforce size, the data shows that businesses with 5–29 employees constitute the bulk at 75.47%, whereas smaller operations with less than 5 employees account for 22.01%. Larger establishments with 30–74 employees are rare, making up just 2.52% of the sample. Lastly, respondents' positions reveal that Supervisors dominate the roles, comprising 75.33%, highlighting their active involvement in the survey. Meanwhile, Managers and Owners represent 14% and 7.55% respectively, with niche roles like Halal Executives (7.33%) and Kitchen Staff (1.33%) being less common in this dataset.

**Table 4** Summary of demographic analysis

Demographic	Classification	Frequency (N)	Percentage (%)
Types of Food	Main Course	106	66.67
	Dessert	21	13.21
	Drinks	23	14.47
	Snacks	7	4.40
	Bread or Wrap	1	0.63
	Sandwich	1	0.63
Period of Time (Years)	1 – 10	40	25.16
	11 – 20	13	8.18
	21 – 30	11	6.91
	31 – 40	5	3.14
	More than 40 years	90	56.60
Number of Employees	Less than 5 people	35	22.01
	5 – 29 people	120	75.47
	30 – 74 people	4	2.52
Respondents' Position	Owner	12	7.55
	Manager	21	14
	Halal Executive	11	7.33
	Supervisor	113	75.33
	Kitchen Staff	2	1.33

#### 4.5 Descriptive Analysis of Financial Performance

This section examines the level of financial performance among F&B restaurant services in Batu Pahat. Based on a 5-point Likert scale used to measure all the items. In this study, where the criteria range from 1 (Strongly disagree) to 5 (Strongly agree), the minimum to maximum value should range from 1 to 5. Table 5 shows the recorded mean and standard deviation of financial performance. Overall, all the items indicate a high mean score according to the central tendency level. The standard deviation ranges from 0.496 to 0.906 across the variables. The highest mean score among the four items related to financial performance is 4.76, accompanied by a standard deviation value of 0.496, which corresponds to the item "Improvement in its profit". The overall mean score for financial performance was recorded at 4.642, signifying a consistently high level, as supported by the standard

deviation is 0.671. These findings indicate that the level of financial performance among F&B restaurant services in Batu Pahat falls within the 'very high level' category.

**Table 5** Descriptive analysis of financial performance

Item Financial Performance	Mean	Std. Deviation	Level
My company has achieved significant achievements in improvement in its profit	4.76	0.496	Very High
My company has achieved significant achievements in improvement in the average return on investment (ROI)	4.58	0.732	Very High
My company has achieved significant achievements in reduction in operational costs	4.49	0.906	Very High
My company has achieved significant achievements in improvement in economic growth	4.73	0.548	Very High

#### 4.6 Descriptive Analysis of Halal Practices

This section examines the level of halal practices among F&B restaurant services in Batu Pahat. Based on a 5-point Likert scale used to measure all the items. In this study, where the criteria range from 1 (Strongly disagree) to 5 (Strongly agree), the minimum to maximum value should range from 1 to 5. From Tables 6, 7 and 8, each item was indicated with high mean scores, and the standard deviation is in the range 0.079 to 0.191. Meanwhile, the highest mean score among 26 items in halal practices is 4.99 with a standard deviation value of 0.112. The overall mean score in halal practices in terms of halal and Thoiiyib was recorded at 4.980, where it remained at a high level with a standard deviation of 0.084. Other than that, the second variable of halal practices is Internal Halal, which recorded the total average score of 4.977 with a standard deviation of 0.119, where it remained at a high level. Lastly, for the third variable, staff remained at a high level with a total average mean score of 4.985, and the average score standard deviation is 0.065. These findings indicate that the level of halal practices among F&B restaurant services in Batu Pahat falls within the 'high level' category.

**Table 6** Descriptive analysis of halal practices for Halal and Thoiiyib

Item for Raw Materials	Mean	Std. Deviation	Level
Our company will be ensuring that every raw material is halal, safe and uncontaminated	4.97	0.157	Very High
Our company will make sure the original manufacturer of each raw material that has a valid Halal Certificate from JAKIM	4.99	0.112	Very High
Our company will verify that raw materials that have undergone additional processes (such as cutting, pre-mixing, repackaging) by third parties including suppliers or intermediaries have valid halal certification	4.97	0.175	Very High
Item for Storage	Mean	Std. Deviation	Level
Our company will specialize storage for raw materials and halal products only, including trade products	4.99	0.079	Very High
Our company will store all raw materials and products according to the requirements of the nature of the material and product.	4.98	0.136	Very High
Our company will arrange all materials and products in an orderly and well-regulated manner to facilitate cleaning activities.	4.98	0.136	Very High
Item for Equipment and Hardware	Mean	Std. Deviation	Level
Our company will ensure that damaged or unused equipment and tools are identified, removed or segregated.	4.97	0.157	Very High
Our company will determine that the equipment and tools used must be appropriate and comply with applicable legal and regulatory requirements.	4.99	0.112	Very High
Our company will be ensuring that the same process must be carried out if equipment and utensils are contaminated with <i>Mughallazah</i> impurity	4.99	0.112	Very High
Item for Packaging, Labelling and Advertising	Mean	Std. Deviation	Level
Our company will be packaging and labelling materials are halal, do not contaminate products and are safe for human consumption	4.97	0.157	Very High
Our company will be packaging, labelling and advertising must not violate the principles of Islamic law, not highlight elements that are	4.98	0.136	Very High

immoral and have negative implications for Malaysian Halal Certification.

Packaging, labelling and advertising must always comply with standards, laws and regulations enforced by relevant authorities	4.97	0.157	Very High
Item for Transportation	Mean	Std. Deviation	Level
Our company will undertake transportation and distribution only for the use of raw materials and halal products only	4.97	0.175	Very High
Our company will be adapting the transportation used according to the requirements of the nature of raw materials and products (nature of product)	4.97	0.157	Very High
Our company will transportation is always clean and in control	4.99	0.112	Very High

**Table 7** Descriptive analysis of Halal Practices for Internal Halal Control

Item for Internal Halal Process	Mean	Std. Deviation	Level
Our company will keep documents and records well and updated and easy to refer to during auditing or monitoring of Malaysian Halal Certification	4.97	0.175	Very High
Our company will provide halal related documents and records during auditing or monitoring Malaysia Halal Certification	4.96	0.191	Very High
Our company will retain documents and records for at least three (3) years	4.97	0.175	Very High

**Table 8** Descriptive analysis of Halal practices for staff

Item for Staff	Mean	Std. Deviation	Level
Our company will make sure the number of Muslim workers is sufficient according to the requirements of the application category	4.99	0.079	Very High
Our company will make sure emphasizing that personal hygiene should always be at a good level	4.98	0.136	Very High
Our company will make sure employee clothing is clean, polite and appropriate.	4.97	0.157	Very High
Our company will make sure employees' personal belongings, food and drinks should not be brought into the processing area	4.98	0.136	Very High
Our company will make sure personal protective equipment (personal protective equipment) that is appropriate for the needs of workers, such as headgear and gloves	4.98	0.136	Very High
Our company will make sure employees do not engage in any actions, behaviors, or actions that may cause contamination of materials and products such as smoking or spitting	4.96	0.191	Very High
Our company will make sure appointment and recruitment of employees shall comply with the requirements of applicable laws and regulations	4.96	0.191	Very High
Our company will make sure employees practice the code of ethics and Good Hygiene Practices (GHP) as stipulated under the regulations of the relevant authorities.	4.98	0.136	Very High

#### 4.7 Normality Test

Studies with sample sizes greater than 50 will use Kolmogorov-Smirnov to determine the normality of the data. The researcher can observe whether the data is normally or non-normally distributed. If the p-value > 0.05, the data is normally distributed; if the p-value < 0.05, the data is not normally distributed. Based on Table 9, since the data was not normally distributed, the best analysis to answer the research objectives is using the Spearman correlation test to achieve research objective 3, which is to investigate the relationship between halal practices and financial performance among the food and beverage service industry in Batu Pahat.

**Table 9** Result of normality test

	Kolmogorov-Smirnov Statistic			Shapiro-Wilk Statistic		
	Statistic	df	Sig.	Statistic	df	Sig.
OM_FP	0.391	159	<0.001	0.654	159	<0.001

### 4.8 Correlation Analysis

Spearman's rank correlation analysis was chosen to examine the relationship between halal practices and financial performance in the food and beverage service industry in Batu Pahat. As outlined by Dudovskiy (2018), the Spearman rank correlation requires the data to be ranked, with the lowest value assigned a rank of 1. In cases where data values are repeated, the ranks are averaged for those identical values. Table 10 presents the strength of Spearman correlation coefficients, providing an analytical framework for interpreting the results obtained from the respondents.

**Table 10** Correlation analysis using Spearman's Correlation test

			Halal Practices	Financial Performance
Independent Variable	Halal and Thoiyyib	Correlation Coefficient	0.767	-0.140
		Sig. (2 - tailed)	<0.001	0.079
		N	159	159
Halal Practices	Internal Halal Control (IHCS)	Correlation Coefficient	0.532	-0.075
		Sig. (2 - tailed)	<0.001	0.350
		N	159	159
Dependant Variable	Staff	Correlation Coefficient	0.669	0.011
		Sig. (2 - tailed)	<0.001	0.892
		N	159	159
Dependant Variable	Financial Performance	Correlation Coefficient	-0.112	1.000
		Sig. (2 - tailed)	0.161	.
		N	159	159

Based on Table 10, the correlation between Halal Practices and Financial Performance is a weak negative relationship with -0.112, as the p-value (1.000) exceeds the threshold for statistical significance. The correlation coefficient shows that there is a weak and negative relationship between Halal practices and financial performance in the food and beverage service industry in Batu Pahat. None of the Halal practices show a statistically significant correlation with financial performance. From this analysis, we cannot conclude that Halal practices (Halal and Thoiyyib, IHC or Staff) have no direct impact on financial performance.

### 5. Conclusion

The first research objective of this study is to examine the level of financial performance among the F&B service industry in Batu Pahat. The second objective is to examine the level of halal practices among the F&B service industry in Batu Pahat. The third research objective is to examine the relationship between halal practices and organisational performance among the F&B service industry in Batu Pahat. Research objective one aims to examine the level of financial performance among the F&B service industry in Batu Pahat. The overall mean value of 4.64 and the standard deviation of 0.671 indicate that the F&B service industry in Batu Pahat has a high level of intention to adopt halal practices. The finding of this study aligns with previous research conducted by Madun *et al* (2022), Azmi (2024), Kenton (2023), Mohsin *et al*. (2020), and Capital (2024). Azmi (2024) found that investing in halal certification may result in large financial rewards, as demonstrated by firms that have already boosted sales and market share through certification. Customers' willingness to pay extra for certified items demonstrates their high regard for halal standard and their faith in these products, all of which the F&B service business may represent by undergoing the halal certification procedure. According to Verbeke *et al*. (2013b), halal consumers are said to be prepared to spend an average of 13% for halal-certified items, which can dramatically increase service industry margins.

The second objective in this study is to examine the level of Halal practices among the F&B service industry in Batu Pahat. Azmi (2024) found that Halal practices have evolved throughout time to become an essential tool for individuals in the hospitality and food and beverage (F&B) industries to grasp the concepts of halal food preparation and service. Moreover, the Brooklyn Research and Publishing Institute (2019) found that the supply

chain in global food and beverage production complicates halal food integrity, especially when suppliers or sub-suppliers are situated in non-Muslim nations and halal drinks grow bigger than non-halal food and beverages. It shows that offering halal-certified items demonstrates the F&B service industry brand's inclusivity and tolerance for other cultural and religious customs.

The third objective of this study aims to examine the relationship between Halal practices and financial performance among the F&B service industry in Batu Pahat. By utilising Spearman's Rho Correlation Analysis, the correlation coefficient shows that there is a weak negative relationship between Halal practices and financial performance in the food and beverage service industry in Batu Pahat, with a -0.112 value from the discussion in the correlation analysis. This finding aligns with the research by Nainatul Farzuha Nor et al. (2023), which suggests that implementing Halal practices can significantly enhance various performance metrics, including market expansion, customer satisfaction, operational efficiency, and brand reputation. Studies have shown that Halal practice allows F&B companies to access a larger market, including the global Muslim population, thereby increasing sales and market share. Moreover, Halal practices, which prioritise quality control and ethical practices, result in increased customer satisfaction and loyalty because consumers prefer items that reflect their religious and ethical convictions (Abdul & Ahmad, 2013). Adherence to Halal rules frequently requires tight quality management systems, which can enhance overall efficiency and reduce waste (Zailani *et al.*, 2019). Furthermore, organisations having Halal certification are viewed as more genuine and trustworthy, which boosts their brand reputation and competitive advantage in the industry. In addition, a study conducted by Zailani et al. (2019) also discussed that Halal staffing has no impact on halal firms' financial performance due to the cost of contributing Islamic knowledge towards their workers. Another study shows a contrast relationship between Halal practices and financial performance, conducted by Arieftiara, Nawir, and Arrafi Julianisa (2022), a company's length does not guarantee that it will perform better than a more recent one in terms of profitability because it can adjust to shifting risk and economic conditions. In this research, we can determine that the company's financial performance will suffer due to the high maintenance costs for its large assets and the wide range of businesses it engages in, and the company's profit does not grow at a pace that matches the growth of its assets.

In a nutshell, three research objectives in this study have been successfully achieved. This study found that the correlation analysis of two variables, which are Halal and Thoiyyib, and Internal Halal Control of Halal practices, showed no relationship with financial performance. Meanwhile, there is only one variable shown to have a weak relationship, which is staff. This study also examines the level of Halal practice intention in interpreting the mean score, as well as correlation analysis to identify the strength of the relationship between the independent variables and dependent variables. The result of this study can be used by businesses, particularly those in the F&B service industry, to evaluate the potential impact of Halal practices on their financial performance. While the study identified a weak or no significant relationship between Halal practices and financial outcomes, it provides valuable insights for organisations to reflect on their current strategies and consider other factors that might influence their financial success. Moreover, the findings highlight the importance of continuously monitoring Halal practices and understanding consumer intentions, which can help businesses improve their offerings and better align with market demands. The results of this study can also be used by policymakers and regulatory bodies to assess the effectiveness of Halal certifications and standards, providing guidance for enhancing the regulatory environment in the F&B industry. Additionally, the study offers a foundation for future research that could explore the long-term impact of Halal practices across different sectors and regions, as well as the potential benefits for SMEs that are still in the process of adopting such practices.

## Acknowledgement

The authors would like to thank the Faculty of Technology Management and Business, Universiti Tun Hussein Onn Malaysia for its support.

## Conflict of Interest

Authors declare that there is no conflict of interests regarding the publication of the paper.

## Author Contribution

*The authors confirm contribution to the paper as follows: **study conception and design:** Ummi Nurain Pakhruddin and Nor Kamariah Kamaruddin; **data collection:** Ummi Nurain Pakhruddin and Nor Kamariah Kamaruddin; **analysis and interpretation of results:** Ummi Nurain Pakhruddin and Nor Kamariah Kamaruddin; **draft manuscript preparation:** Ummi Nurain Pakhruddin and Nor Kamariah Kamaruddin. All authors reviewed the results and approved the final version of the manuscript.*

## References

- Admin, M. (2023, January 9). *What Halal Food and Beverage Producers needs to know?* MIFB. Retrieved December 31, 2024, from <https://mifb.com.my/what-halal-food-and-beverage-producers-needs-to-know/>
- Al-shami, H. A., & Abdullah, S. (2021). Halal food industry certification and operation challenges and manufacturing execution system opportunities. A review study from Malaysia. *Materials Today: Proceedings*, 80(3). Retrieved January 2, 2025, from <https://doi.org/10.1016/j.matpr.2021.07.331>
- Ahmed, H. M. (2022, December 7). *What is Halal Certification? - The Halal Times*. The Halal Times. Retrieved January 6, 2025, from <https://www.halaltimes.com/what-is-halal-certification/>
- Aishah Bujang, & Bakar, S. (2023). Halal packaging: halal control point in the manufacturing of packaging materials and halal labelling. *Elsevier eBooks*, 161–175. Retrieved January 3, 2025, from <https://doi.org/10.1016/b978-0-323-91662-2.00001-6>
- Ali. (2024, December 5). *What Does Halal Mean and What Foods Are Considered Halal?* Embrace Relief Foundation. Retrieved January 5, 2025, from <https://www.embracerelief.org/what-does-halal-mean-and-what-foods-are-considered-halal/>
- Azmi. (2024, March 27). *Halal Training: Rising Need for Halal Food Service Training*. American Halal Foundation. Retrieved January 3, 2025, from <https://halalfoundation.org/halal-training-rising-need-for-halal-food-service-training/>
- Azmi. (2024a, January 9). *Rise of Plant-Based and Clean-Label Halal Food Products - AHF*. American Halal Foundation. Retrieved January 5, 2025, from <https://halalfoundation.org/rise-of-plant-based-and-clean-label-halal-food-products/>
- Arieftiara, D., Nawir, J., & Julianisa, I. A. (2022, November 14). *View of Halal Food Certification, Financial Performance, and Sustainability Reporting: Comparative Study of Food and Beverage Firms in Malaysia and Indonesia*. Agbioforum.org. Retrieved January 2, 2025, from <https://agbioforum.org/menuscript/index.php/agb/article/view/120/71>
- Baharudin Othman, Sharafudin Md. Shaarani, & Asiah Bahron, (2016). The potential of ASEAN in Halal Certification Implementation. *Pertanika Journal of Social Sciences & Humanities*, 24 (1), 1–24.
- Baharudin *et al.*, The influence of Halal Practices on Organizational Performance Among Food Industries (SMEs) in Malaysia. *Halal Journal*. 2019. Vol. No. 3: 40–60
- Bashir, A. M. (2020). Awareness of purchasing halal food among non-Muslim consumers: An explorative study with reference to Cape Town of South Africa. *Journal of Islamic Marketing*, 11(6), 1295–1311.
- Basir, A. (2024, December 23). *Halal and Product Quality in Malaysia: A Guide to the Food and Beverages Industry - Stratsea*. Stratsea.com. Retrieved January 5, 2025, from <https://stratsea.com/halal-and-product-quality-in-malaysia-a-guide-to-the-food-and-beverages-industry/>
- Benford, E. (2023, June 7). *Global halal food index score 2020, by country*. Statista. Retrieved June 21, 2024, from <https://www.statista.com/statistics/737175/halal-food-indexscore-by-country-worldwide/#:~:text=In%202020%2C%20global%20leader%20Malaysia,public%20awareness%20and%20product%20pricing.>
- Capital, F. (2024). *Evaluating Past Performance for Future Success - FasterCapital*. FasterCapital. Retrieved January 1, 2025, from <https://fastercapital.com/content/Evaluating-Past-Performance-for-Future-Success.html>
- Fauzi, N. M., Hashim, N. I., Rahman, M. F. A., Hassin, W. S. W., & Shahar, W. S. S. (2020). Halal Economic: Challenges And Emerging Opportunities In Malaysia. *Journal of Islamic Philanthropy & Social Finance (JIPSF)*, 1(1), 29–37. Retrieved June 25, 2024, from [https://doi.org/10.24191/jipsf/v1n12020\\_29-37](https://doi.org/10.24191/jipsf/v1n12020_29-37)
- F Nisa, D. E. (2024). *Global Halal Standardisation and Muslim Diversity - Australian Institute of International Affairs*. Australian Institute of International Affairs. Retrieved January 6, 2025, from <https://www.internationalaffairs.org.au/australianoutlook/global-halal-standardisation-and-muslim-diversity/>
- GeeksforGeeks. (2024, July 17). *Likert Scale*. GeeksforGeeks. Retrieved January 4, 2025, from <https://www.geeksforgeeks.org/likert-scale/>
- Hafizan, & Sunitawati Karim. (2019). The Development Of Halal Logistics Warehouse: A Study At Maskargo Sdn Bhd. *Malaysian Journal of Industrial Technology*. Retrieved June 23, 2024, from <https://mitec.unikl.edu.my/mjit/13.%20Volume%205%20-%20Issue%205/3.%20THE%20DEVELOPMENT%20OF%20HALAL%20LOGISTICS%20WAREHOUSE%20A%20STUDY%20AT%20MASKARGO%20SDN%20BHD.pdf>
- Halal Foundation Editorial Team. (2025). *Guide to Understanding Cross Contamination in Halal Certification*. American Halal Foundation. Retrieved January 3, 2025, from <https://halalfoundation.org/cross-contamination-in-halal-certification/>
- Hamid Mansoor Abdul, Hong, Y., Oslida Martony, & Devi, M. (2022). Halal In The Food Industry Around The Globe. *Journal of Halal Science and Technology*, 1(2), 12–21. Retrieved June 24, 2024, from <https://doi.org/10.59202/jhst.v1i2.609>

- Islamic Services of America. (2024, May 9). *Halal Packaging | ISA Halal*. Islamic Services of America. Retrieved June 25, 2025, from <https://www.isahalal.com/news-events/blog/your-packaging-matters-5-reasons-why-you-should-manage-packaging-your-halal-products>
- Kenton, W. (2023, April 30). *Financial Performance: Definition, how it works, and example*. Investopedia. Retrieved January 3, 2025, from <https://www.investopedia.com/terms/f/financialperformance.asp>
- Madun, A., Kamarulzaman, Y., & Abdullah, N. (2022). The Mediating Role Of Consumer Satisfaction In Enhancing Loyalty Towards Malaysian Halal-Certified Food And Beverages. *Online Journal of Islamic Management and Finance (OJIMF)*, 2(1), 1–20. Retrieved January 5, 2025, from <https://doi.org/10.22452/ojimf.v2i1.30616>
- Malaysia, S. (2023, August 5). *Exploring 15 Different Types of F&B Services: An Overview*. Staff Any. Retrieved January 1, 2025, from <https://www.staffany.my/blog/types-of-f-n-b-services/>
- malaymail. (2023, September 12). Jakim outlines strategies to ensure Malaysian halal certification remains relevant, says religious affairs minister. *Malay Mail*. Retrieved June 24, 2024, from <https://www.malaymail.com/news/malaysia/2023/09/12/jakim-outlines-strategies-toensure-malaysian-halal-certification-remains-relevant-says-religious-affairsminister/90469>
- Malmqvist, J., Hellberg, K., Möllås, G., Rose, R., & Shevlin, M. (2019). Conducting the pilot study: a neglected part of the research process? Methodological findings supporting the importance of piloting in qualitative research studies. *International Journal of Qualitative Methods*, 160940691987834. Retrieved June 23, 2024, from <https://doi.org/10.1177/1609406919878341>
- MKT, T. (2024, June 24). *What is Halal Certification for Tools, Packaging, and Food Containers? - GHC*. GHC. Retrieved January 1, 2025, from <https://en.halalghc.com/what-is-halal-certification-for-tools-packaging-and-food-containers/>
- Mohsin, H. J., Ahmed, S. A., & Streimikiene, D. (2020, September 25). *Evaluating the Financial Performance by Considering the Effect of External Factors on Organization Cash Flow*. Papers.ssrn.com. Retrieved December 25, 2024, from <https://ssrn.com/abstract=3751945>
- Muhammad, M., Elistina, A., & Ahmad, S. (2020). The challenges faced by halal certification authorities in managing the halal certification process in Malaysia. *Food Research*, 4(S1), 170–178. Retrieved June 25, 2024, from [https://doi.org/10.26656/fr.2017.4\(s1\).s17](https://doi.org/10.26656/fr.2017.4(s1).s17)
- Nafis, M. C. (2019). The concept of halal and thayyib and its implementation in Indonesia. *Journal of Halal Product and Research (JHPR)*, 2(1), 1–5. Retrieved December 31, 2024, from <https://doi.org/10.20473/jhpr.vol.2-issue.1.1-5>
- Nainatul Farzuha Nor, Ahmad, H., & Ahmad Shabudin Ariffin. (2023). Potencies and Opportunities of Halal Market in Global Industry: An Empirical Analysis of Malaysia and Indonesia. *Halal Reviews*, 3(1), 1–24. Retrieved January 5, 2025, from <https://doi.org/10.55265/halalreviews.v3i1.14>
- Nuratifah, A. (2019). Evaluation of knowledge and practices of halal certification among food processing companies in Sabah, Malaysia. *International Food Research Journal*, 26(1), 295–304. [http://www.ifrj.upm.edu.my/26%20\(01\)%202019/\(33\).pdf](http://www.ifrj.upm.edu.my/26%20(01)%202019/(33).pdf)
- Othman, B., Sharifudin, M., Shaarani, Bahron, A., Hudani, N., & Nawawi, M. (2019). Baharudin *et al.*, The influence of Halal Practices on Organizational Performance Among Food Industries (SMEs) in Malaysia. *Halal Journal*. 2019. Vol. No. 3: 40 -60
- Price, P. C., Jhangiani, R. J., & Chiang, I-Chant. A. (2015, October 13). *Conducting Surveys – Research Methods in Psychology*. Opentextbc.ca. Retrieved January 4, 2025, from <https://opentextbc.ca/researchmethods/chapter/conducting-surveys/>
- Qashierbrenda. (2023, November 7). *Malaysian halal market: What do F&Bs need to know*. Qashier Malaysia. Retrieved June 14, 2024, from <https://qashier.com/my/blog/2023/11/08/malaysian-halal-market-what-do-fbs-need-to-know/>
- Rizam, M. (2024, March). *Assessing Malaysia's Halal Economic Value*. YCP Solidiance. Retrieved June 21, 2024, from <https://ycpsolidiance.com/article/the-economic-valueof-malaysia-halal-industry#:~:text=Malaysia's%20halal%20industry's%20contribution%20to,a%20robu st%20CAGR%20of%205.8%25>
- Suleiman, alwi. (2021, April 27). *Halal Marketing- All You Need to Know - Muslim Ad Network*. Muslim Ad Network. Retrieved January 3, 2025, from <https://muslimadnetwork.com/2021/04/27/halal-marketing-explained/>
- Test, S. (2018). *How to test normality with the Kolmogorov-Smirnov Using SPSS*. SPSS Tests. Retrieved January 5, 2025, from <https://www.spsstests.com/2015/03/how-to-test-normality-with-kolmogorov.html>
- The Brooklyn Research and Publishing Institute. (2019). *Vol. 10, No. 8; August 2019 (Abstract 13)*. Retrieved January 5, 2025, from Ijbsnet.com. <https://ijbsnet.com/journal/index/4301>
- UCLA. (2021). *What does Cronbach's alpha mean?* Stats.oarc.ucla.edu. Retrieved January 3, 2025 from <https://stats.oarc.ucla.edu/spss/faq/what-does-cronbachs-alpha-mean/>
- Xiang, Y. W. (2024, September 12). *Explained: What Does It Take to Get Halal Certification From JAKIM In Malaysia?* SAYS. Retrieved January 3, 2025, from <https://says.com/my/news/explained-what-does-it-take-to-get-halal-certification-jakim-malaysia>

Zailani, S., Iranmanesh, M., Jafarzadeh, S., & Foroughi, B. (2019). The influence of halal orientation strategy on financial performance of halal food firms. *Journal of Islamic Marketing*, 11(1), 31–49. Retrieved January 5, 2025, from <https://doi.org/10.1108/jima-01-2018-0023>