

## HALAL BUSINESS TRAINING: STARTING AND DEVELOPING AN INNOVATIVE BUSINESS

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### Abstract

The halal industry has a great opportunity to develop in Indonesia. Muslim consumers who have a lot of demand for halal products in Indonesia are increasing. However, unfortunately, the halal products consumed are still imported. Therefore, to help encourage many businesses and MSMEs in Indonesia, many strategies are needed, one of which is training in business development. The training involves young entrepreneurs who are already successful in their business fields, as well as marketing experts. This training was attended by 100 participant that held by online (via zoom meeting). This training provides not only inspiration and experience but also business implementation strategies.

**Keywords:** halal industry; training, business strategy

### 1. INTRODUCTION

Today, halal is not only a rule in Islamic law but has become a standard of lifestyle (halal lifestyle) (*halal lifestyle*). The concept of halal lifestyle itself has become the attention of many countries and can be applied in various aspects of life (Indonesian Ministry of National Development Planning, 2019), such as halal food, halal travel, halal media and recreation, halal pharmaceuticals and cosmetics, halal fashion, to Islamic finance. So that the halal industry is formed. Based on The State of the Global Islamic Economy Report 2018/2019, the number of halal lifestyle expenditures for Muslims in the world reached USD 2.1 trillion in 2017 (Inclusive & Economy, 2018). It is expected to increase given the continued growth of the world's Muslim population.

As is the case with Indonesia as a country with the largest Muslim population in the world (Jannah & Al-Banna, 2021). This provides great opportunities and potential for national economic development through the growth of the halal industry. In other words, the large Muslim population in Indonesia leads to an increase in demand for halal products (Selatan & Mutmainah, 2018). Unfortunately, to meet the high demand, Indonesia still relies on other countries (imports) (Bapepam, 2019). This is a challenge for Indonesia, to switch from a global halal market target to a center for the production of halal products.

In a halal lifestyle conference held by Bank Indonesia and the Islamic Halal Lifestyle Center (IHLC) in 2018, Bank Indonesia together with the government and various institutions stated that they were synergizing to develop Indonesia's economic potential through the halal industry. Several strategies are formulated in the 4C principles, namely a strong commitment from related parties (Commitment), concrete programs that are easy to implement (Concrete), the synergy between institutions and related parties (Collaborative) as well as intensive education regarding the added value of halal lifestyle (Campaign).

In addition, attention to the profile of future consumers also needs to be done. In the 2019-2024 Indonesian Sharia Economic Masterplan, it is said that the millennial generation plays a strategic role in economic development around the world. They are considered the most powerful economic force in the 21st century (Indonesian Ministry of National Development Planning, 2019). This means that the millennial generation needs to have literacy (awareness and education) about how the concept of halal lifestyle is applied and can ultimately contribute to the development of the halal industry.

Not only the role of the government and halal industry players, of course, but also educational institutions and institutions in improving human resource literacy as a form of a national halal lifestyle campaign. Because educational institutions are at the forefront of producing quality human resources. There are several forms of national halal lifestyle campaigns that can be carried out, including (1) socialization and education regarding halal product literacy, (2) topics regarding the halal economy and industry in school and college curriculum, and (3) holding seminars themed halal lifestyle.

This study emphasizes the importance of training for the community as human resources who will participate in the development of the national economy through the halal industry. The objectives of this training are detailed as follows, namely:

1. Provide knowledge and inspiration for participants about the process of starting and developing a creative and innovative business.
2. As a sharing medium in solving operational problems faced by entrepreneurs/business actors.
3. As a medium for establishing good relations between entrepreneurs, entrepreneurs, and business partners, as well as entrepreneurs and consumers.

## 2. IMPLEMENTATION METHOD

To encourage and develop public interest, especially the millennial generation, to participate in building the national economy through the halal industry, training is carried out by involving several resource persons who are experts in their fields. Training is a planned effort to facilitate the learning process to acquire the desired knowledge, competencies, skills, and behaviors (Raymond A. Noe, 2017). Traditionally, training can be held through a specific course program or event. Currently, the development of media and technology facilitates the implementation of training. The training in this activity was held twice with two major discussion themes. The following are the details of the training carried out:

### a. Training 1

Training 1 has the theme *“How to Start Up Your Business?”*. This theme is carried out to build the motivation of the trainees in doing business, and become an entrepreneur. The number of entrepreneurs in Indonesia is still relatively small. This is where the importance of growing the seeds of entrepreneurs is. Especially now that there are more and more young entrepreneurs who are successful. Figures can be very inspiring.

The speakers in training 1 are young entrepreneurs who have succeeded in building their businesses and surviving, even during the Covid-19 pandemic. The speakers are Iffah M. Dewi (Sogan Batik), Mega Nilasari Johan (Khalifs.id), Dandy Damar Rahardja (KopiLoa Indonesia), and Restiana Widia Putri (Kuki Bakery). The implementation is done online via zoom meeting.

### b. Training 2

Training 2 is a continuation of training 1. After training participants are provided with the provision and inspiration to become entrepreneurs, it is hoped that they will also understand the technicalities and methods for marketing products in the right way

and accordance with Islamic Sharia. The theme for training 2 is *“Halal Digital Marketing: Sharing Goodness in A Good Way”*. This training involves resource persons who are experts in the field of marketing. The first speaker, namely Dirga Naufal Widyatama (Founder of Browcoly Agency). The second speaker, namely Dwinandha Legawa (Ads Division Manager of The Rebel Marketing). The second training was also conducted online via zoom meeting.

## **2. RESULT AND DISCUSSION**

The training is conducted in two online sessions (via zoom meeting). The training participants are the wider community, which is dominated by the millennial generation. The number of training participants is 100 people. The following is a summary of the material provided during the training:

### **2.1 Training 1: How to Start Up Your Business?**

#### **a. Iffah M. Dewi**

Iffah M. Dewi is a young designer from Yogyakarta. He is the figure behind the success of Sogan Batik Rejodani. His interest in the history of Islamic civilization and its various cultures sparked his creativity to produce batik design products that elevate the values of goodness in general.

His business started from the krismon in 2000 which resulted in many employees being laid off and unemployed, then made his move to create jobs. With limited capital, he struggled and proceeded for 8 years to continue to grow. From what initially only had 4 workers, now it has increased to around 100 work teams for the production department. This is also because more and more Muslim fashion products are increasingly in demand by the global market.

Behind his persistence and enthusiasm to continue to grow, it turns out that there are good values that are held and underlie doing business to this day. He calls it "Amanah guru", namely the trust or advice he gets from his teachers, namely:

#### **1. Useful and Spread Kindness**

Whatever your profession or your activities in the world, always aim to be useful and spread kindness, including in your efforts to do business today.

## **2. *Perpetuate Sholawat***

Always perpetuate sholawat to foster a sense of love for the Prophet, and this leads to uninterrupted motivation.

## **3. *Dhikr Batik***

Accompany all your activities with dhikr. Just like what Sogan Batik did, every batik production process—from design, pattern, batik, coloring, sewing, to completion—is always accompanied by dhikr. Iffah named the custom as Batik Dhikr.

These values are reflected in every activity and product produced by Sogan Batik. One of them is as stated in Sogan Batik's vision for example.

### **b. *Mega Nilasari Johan***

Mega started his business by trying to become a reseller, robe, and t-shirt distributor in Bandung. At the beginning of the pandemic, Mega started to change the product line from robes to what kind of clothes can be worn and comfortable when everyone is WFH. Many improvisations were made to survive. In addition, keeping abreast of current trends is key. Mega's business opportunity started as a hobby. The hope at the beginning is how things you like can produce something. This then makes its products many competitive advantages, starting from the quality of materials, stitches, motifs, and prices.

### **c. *Dandy Damar Rahardja***

Besides working at Astra, Dandi owns the KopiLoa Indonesia business. Loa comes from the language of the Kutai tribe, which is originally a river. The name KopiLoa was chosen because in Samarinda it is identical to the Mahakam River. There is the word Indonesia because it is hoped that this business is big and can be known throughout Indonesia. KopilLoa was originally formed by 4 friends who share the same concerns and hobbies and were brought together in one running community. In the past, the process of making products was carried out in one of the owners' houses. The most important thing in a business is that we must start first, just live it. KopiLoa's marketing strategy was originally sold online, then over time sold offline in the running community.

**d. Restiana Widia Putri**

Restiana Widia Putri (Puput as she is called) started a business while looking for an identity when she was a student. When he was a student, Restiana wanted to start a business based on a hobby, namely baking cakes. Initially starting this business, Puput sold wedding gifts for business capital. At the beginning of learning to make cakes, Puput surveyed by giving the processed cakes to his college friends. After that, they participated in a cake exhibition, by giving the name Kuki Bakery which means pastries. At the beginning of the business establishment, this business had good sales when approaching Eid, so at that time decided to open an outlet in front of the supermarket. After some time of considering developing a bigger business, Puput decided to open an outlet on Flamboyan UNY Street which does have a fairly large space. At Flamboyan, Puput followed the trend that was booming at that time, namely red velvet and rainbow cake, which, Alhamdulillah, sold up to 100 slices per day. Then as the business grew, Puput opened an outlet at Jakal KM.5. At that time the cafes were not as mushrooming as they are now. At that time, the outlet in Jakal was crowded with students and the public hanging out.

As the business grows, there is a new product, namely Delivery. Until now Puput continues the process and continues to learn. When the pandemic began, the biggest effect could be seen in terms of sales, so there were different treatments in terms of developing strategies during this pandemic. Finally, Puput did a trial to open a contemporary aesthetic outlet in front of his house. Puput also has tricks or strategies in sales, such as providing discounts for visitors and branding products such as issuing new products, following current trends, innovating, holding giveaways, and also marketing through social media such as Instagram, FB, TikTok, and websites.

**2.2 Training 2: Halal Digital Marketing-Sharing Goodness in A Good Way**

Digital marketing is a marketing activity including branding that uses various web-based media, such as blogs, websites, e-mail, or other social networks that aim to maximize marketing and increase product sales. Meanwhile, halal digital marketing can be defined as digital marketing that is to Sharia, and its implementation is based on the instructions contained in the Qur'an regarding trade, sales, and marketing ethics. In halal

digital marketing, a product marketed by individuals and companies must be guaranteed products, both in terms of material quality, processing quality, presentation quality, to non-material aspects which include halal and haram a product.

In terms of benefits, a product can be categorized as useful if the production process is correct and good. Data and facts must be submitted during the marketing process. In terms of morals, halal digital marketing actors need to apply values, such as being honest, trustworthy, intelligent, and communicative.

### 3. CONCLUSION

The millennial generation plays an important role in the development of the national economy, as they are considered the most powerful economic force in the 21st century. Looking at the opportunities for national economic growth through the halal industry, the role of this young generation is key. Therefore, as a reliable human resource, increasing competence and knowledge is a must. Training is a form of HR competency improvement program that can be carried out. This study discusses the training that aims to provide education for participants about creative and innovative business processes. The resource persons in the training have different business backgrounds. Starting from the food and beverage business to fashion (halal industry). Participants get a lot of inspiration and views related to these different businesses. This can be seen from the many questions that make the discussion deeper. In addition, the training carried out was also strengthened by the importance of knowledge in the field of marketing (halal digital marketing) which is very much needed to be able to develop its business so that it not only survives but also continues to grow well and can support the development of the halal industry in Indonesia.

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