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The involvement of young entrepreneurs in halal food products in Kelantan

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Abstract. Young people are the future of every nation and an essential asset to the economics of country development. Currently, young entrepreneurs' involvement in the halal food industry is increased due to Malaysia government policy providing incentives, continuing supports, and various strategies or programs to develop young entrepreneurs. The purposes of this research paper are to determine the level of involvement among young entrepreneurs towards halal labels and to investigate the relationship between attitude, social norms, and perceived behavior control and the involvement of young entrepreneurs in the halal food product in Kelantan. In this research, a survey was conducted, and the questionnaire was distributed using purposive sampling toward 40 entrepreneurs aged between 15 to 30 years old in halal food products in Kelantan. The data collected were then analyzed using descriptive analysis, normality test, and Pearson correlation analysis. The study found that young entrepreneurs' high involvement level and a significant relationship between social norms and perceived behavior towards involvement in halal food product labeling in Kelantan.

1. Introduction

Young people or youth are a necessary asset to the growth of a country's economy because youth have a robust spirit vital for economic growth. Besides, young people also still have both mental and physical strengthening. According to [1], young people are people aged from 15 to 30 years old. Young people refer to the period between childhood and adult age, followed by mental and physical development growth from being children to being adolescents. [2] stated young people adopt various identities such as daughter-son, sibling, child, teen, peer, friend, and student, which is each of these identities has influenced the way to construct an understanding of participants in research on young.

The involvement of young people in entrepreneurship is essential, especially in maintaining the country's economy. The Malaysian government has given more options to young entrepreneurs to create interest in entrepreneurship [3]. For example, the Malaysian government provides initial capital to young people who want to start a new business. Besides, this can reduce the number of unemployed graduates in Malaysia. According to [3], the number of young entrepreneurs increases, especially those who are less than 40 years old. [4] stated the adult population involved in the activity of entrepreneurship in Malaysia during the year 2017 is 20.4% of people who aged in a range of 18-24 years old, 27.1% of people aged 25-34 years old, 22.2% of people range aged between 35-44 years, 21.25% of people aged 45-54 years old and last but not least 9.5% of people range aged between 55-64 years old.



Today, the demand for halal food products and services is increasing globally, especially for the Muslim population [5]. First, the food industry involves the supply, consumption, and catering of food products and services worldwide. Food plays an important role in our daily lives which related to religion and culture, especially for Muslims. Halal is crucial because the consumers wanted to ensure that the food they purchased and consumed was cleaned and followed Syariah compliant. Halal means food products are permitted to be consumed under Islamic law and fulfillment that stated in Standard. Apart from that, halal food products are essential in the food marketing system that influences consumers' food quality and consumer awareness of healthy and hygienic food products. Halal food products are seen from the halal logo, ingredients labeling, and nutrition labeling [6].

The young entrepreneur faces some constraints in the halal food industry that affect young people's halal food product labeling involvement. One of them is the lack of networking between young entrepreneurs and industrial cooperation experts in business [3]. Young entrepreneurs have lacked information and do not expose the halal registration and guidelines from any organization, especially JAKIM, to get halal for the product. Besides that, the young entrepreneurs' involvement in halal food products was low because they could not obtain the halal logo and certification by JAKIM [7]. Hence, this study has surveyed to determine the level of involvement of young entrepreneurs in halal food products in Kelantan and the relationship of attitude, social norms, and perceived behavior control towards young entrepreneurs' participation in halal food products Kelantan.

2. Literature Review

2.1. Level of involvement of young entrepreneurs in halal food product

[8] found that the involvement of the small operators of the food industry with halal certificates was low. Most entrepreneurs in Malaysia face problem-related to finance, capital, and marketing in starting a new business [9]. [10] shown positive signs that SME entrepreneurs' agreed motivations of SME entrepreneurs were highly influenced by awareness of halal entrepreneurship, intrinsic motivation, work hard to seek out opportunity, peer influence, and perceived governmental support for halal entrepreneurship. The involvement of young entrepreneurs was also measured based on the level of success and ability to compete with a particular market or market trend by scanning environmental activities frequently by SMEs halal entrepreneurs [11]. The young entrepreneur must indicate a high level of individual responsibility for results, required individual skill and effort, moderate risk, and good performance [12]. [13] revealed that the manufacturers involved in food products are less interested in applying for halal certificates for their products due to lack of experience, weak business network, and other entrepreneurs and capital constraints.

2.2. The relationship of attitude, social norms, and perceived behavioral controls towards the involvement of young entrepreneurs in halal food product

Attitudes towards young entrepreneurs' involvement in halal food products were measured by young entrepreneur beliefs and examining behavior performance [14]. A study proved that the knowledge, attitude, and practice variables influence food sellers' perceptions toward the halal labeled fish ball in Kelantan [15]. Social norms reflect the pressure and approval from critical others to become entrepreneurs, consequently considering the person's social context [16]. The young entrepreneur intends to be involved in halal food products usually made up of social norms that individual perception of support for the entrepreneur to start-up new business. A study conducted by [17] revealed that government support has positively influenced entrepreneurs' intention to be involved in the halal food product. The government can help the young entrepreneur in financial and enabling the continued success of SME entrepreneur. Perceived behavior control was the persons' impression of the ability to do specific behavior determined by an individual's view of ease or difficulty in performing the behavior [18]. The young entrepreneurs' involvement increase due to perceived behavioral control has a significant relationship on purchasing halal food labeling purchasing intention among consumers [19].

3. Methodology

This research was conducted through a survey using a self-administered questionnaire in several districts such as Machang, Jeli, Pasir Puteh, and Tanah Merah by using a purposive sampling technique. The questionnaire was self-developed based on some literature. The questionnaires were distributed to 40 young entrepreneurs aged between 15 to 30 years old. According to [20], a sample size between 30 and 500 are appropriate for most study. Other researchers have tried to suggest some kind of guidelines for qualitative sample sizes [21]. [22] proposes that 25 respondents are sufficient for smaller projects. [23] state that the qualitative samples often lie under 50. Therefore, a sample size of 40 was adequate for this research. The data were then collected and analyzed by using SPSS version 25.0. The data were analyzed by using descriptive analysis, normality test, and Pearson correlation analysis.

4. Results and Discussion

4.1. Demographic profile of respondents

Based on Table 1, most of the respondents were female, which was 27 persons (67.5%) while the rest were male by 13 persons (32.5%). The majority of respondents were at 26-30 years by 23 persons (57.5%). Most respondents were single, 24 people (60.0%), followed by 16 people (40.0%) with married status. Table 1 shows education level which was the majority of respondents are diploma background where 19 individuals (47.5%), SPM background was nine persons (22.5%), seven persons (17.5%) had degree background, three persons (7.5%) of STPM/STAM level, and two persons (5.0%) were at SRP/PMR level. Table 1 also showed that 28 persons (70.0%) of respondents stated that their parents were involved in entrepreneurship sectors and the rest where their parents were not involved in the entrepreneurship sector 12 (30.0%).

Table 1. The demographic profile of young entrepreneurs.

Variables	Frequency	Percentage (%)
Gender		
Male	13	32.5
Female	27	67.5
Age		
15 – 20 years	1	2.5
21 – 25 years	16	40.0
26 – 30 years	23	57.5
Marital status		
Married	16	40.0
Single	24	60.0
Education level		
SRP/PMR	2	5.0
SPM	9	22.5
STPM/STAM	3	7.5
Diploma	19	47.5
Degree	7	17.5
Parents are involved in the entrepreneurship sector		
Yes	28	70.0
No	12	30.0

4.2. Level of young entrepreneurs' involvement in halal food products in Kelantan

Table 2 below shows the mean score of level involvement of young entrepreneurs in halal food products in Kelantan. All the statements had a mean score above 4.00. Based on the mean values, all

the statements were at a high level which was between 3.67 and 5.0. The result of the total mean score was 4.32, which is also at a high level. Therefore, the level of young entrepreneurs' involvement in halal food products in Kelantan was high. Similar to the study done by [19], which found that the involvement of young entrepreneurs in halal food products was high due to the high halal intention in consuming halal food products among consumers.

Table 2. Mean score of level involvement of young entrepreneurs in halal food products in Kelantan.

Statement	Percentage (%)					Mean	S.D	Level
	1 *	2 *	3*	4*	5*			
I think that my involvement in halal food products can increase my sales domestically and internationally	0	0	0	62. 5	37. 5	4.38	0.49	High
My involvement on halal food products can educate and increase consumer awareness on halal food product	0	0	2. 5	55. 0	42. 5	4.40	0.55	High
I think participating in halal food products can improve customer trusts	0	0	0	42. 5	57. 5	4.58	0.50	High
I will put all my effort to get halal food certification for my product	0	0	2. 5	42. 5	55. 0	4.53	0.55	High
Increasing of population of Muslim motivate me to produce halal food product	0	0	7. 5	70. 0	22. 5	4.15	0.53	High
Positive and awareness of halal product other than Muslim motivates me to produce halal product	0	0	7. 5	80. 0	12. 5	4.05	0.45	High
I think my involvement in applying technology can improve customer's buying interest in halal food products	0	0	0	85. 0	15. 0	4.15	0.36	High
Total mean score						4.32	0.36	High

*Indicator: 1. Strongly Disagree; 2. Disagree; 3. Average; 4. Agree; 5. Strongly Agree

Notes: mean values correspond to 1.0-2.33: low; 2.34-3.66: moderate; 3.67-5.0: high

4.3. Relationship of attitude, social norms and perceived behavioral control towards the involvement of young entrepreneurs in halal food products in Kelantan

For achieving the second objective, correlation analysis was applied. The correlation analysis selected for this study was based on the normality test. If the normality test shows a normal distribution, Pearson correlation should be used, but the normality test shows a non-normal distribution, Spearman correlation should be used [24]. Normality test can be done using two methods which are the Shapiro-Wilks test and Kolmogorov-Smirnov test. The Shapiro-Wilks test was applied when the sample size of fewer than 50 respondents, while the Kolmogorov-Smirnov test applied when the sample size of more than 50 respondents [25]. Hence, this study's normality test used the Shapiro-Wilks test as the sample size was 40 respondents. Based on Table 3, the normality test showed the p-value for the data was 0.290. As stated by [26], if the p-value more than 0.05, the normality test was a normal distribution, otherwise, if the p-value lower than 0.05, the normality test was non-normal distribution. This study's p-value was greater than 0.05, which shows that the data was a normal distribution. Thus, Pearson correlation analysis was selected for this study as the data was a normal distribution.

Table 3. Shapiro-Wilk test.

	Statistics	df	Significance (<i>p</i>)
Involvement	0.963	40	0.209

(Source: Survey, 2020)

Based on the result shown in Table 4, attitude does not correlate with entrepreneurs' involvement in halal food products. This can be described as young entrepreneurs still not familiar and not aware of the halal food industry, which give many benefits to their business. This can be related to a study of [10], which indicates that the entrepreneurs do not fully know the halal food industry as it is still in the initial stage, which can contribute to its potential risk and opportunities. While the social norms showed positive relationships towards involvement with $r=0.532$ which had a significant value at 0.05 level (2-tailed). [13] stated that social norms influence young entrepreneurs to participate in halal food products because the demand for halal food nowadays increases, especially for the Muslim population. Therefore, Muslim consumers will influence young entrepreneurs to produce more halal food products. Besides, the government also supports young entrepreneurs' involvement in halal food products who want to start a new business by providing initial capital to entrepreneurs [17]. The results also revealed that perceived behavior control also indicated a positive correlation value of 0.435, which had significant value at the 0.05 level (2-tailed). [27] stated that perceived behavior control influences the involvement of young entrepreneurs in halal food products. This is because the consumer intends to buy halal food products that affect entrepreneurs to produce more halal food products where consumers are willing to pay for halal-certified food products. Halal certification is an important thing needed to increase profits in business performance [28].

Table 4. Result of Pearson correlation analysis.

		Attitude	Social norm	Perceived behavioural control
Involvement of young entrepreneurs towards halal food products	Pearson	0.274	0.385*	0.335*
	Sig. (2-tailed)	0.087	0.014	0.035

*Correlation is significant at the 0.05 level (2-tailed).

5. Conclusion

All the objectives were achieved. The involvement of young entrepreneurs in halal food products was high and the social norms and perceived behavioral control significantly influenced the involvement of young entrepreneurs towards halal food products. It is recommended to conduct the study of halal food products in other states in Malaysia for future research because halal food products were essential to attract more consumers, especially Muslim consumers, to buy halal food products.

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