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BARRIERS AND ENABLERS IN ADOPTING HALAL TRANSPORTATION SERVICES: A STUDY OF MALAYSIAN HALAL MANUFACTURERS

Abstract:

The increasing demand for Halal products by Muslim consumers due to their religious obligation has created new services known as the Halal transportation services. These services are specially designed to meet the demand from the Halal manufacturers to maintain the integrity of their Halal products. However, the adoption of the halal transportation services in Malaysia is relatively low. By adopting the TOE framework, this study will try to identify the enablers influencing and barriers impeding the Halal manufacturers from adopting the Halal transportation services. Using the systematic sampling method, data was gathered from 140 participants of the Malaysia International Halal Showcase (MIHAS) 2013. The Structural Equation Modelling (SEM) approach was used to test the relationship between the research model construct. The findings show that perceived benefits, organizational readiness, customer pressure and competitive pressure are significant enablers for the adoption decision. Meanwhile, the complexity was found as a barrier to the adoption and government support was found to be a not significant factor to the adoption of Halal transportation. The findings, besides presenting the suitability of PLS in statistical analysis, have also provided useful information to a better understanding regarding the enablers and barriers to the adoption of Halal transportation services. Halal service providers and government agencies which are related to the Halal services could use the findings to make a proper plan in enhancing the adoption of Halal services among Halal industry players. The limitation, implication and suggestion for future research are also discussed.

Keywords:

Halal transportation ; enablers to adoption, barriers to the adoption ; Halal Manufacturers in Malaysia; TOE framework, PLS