

## อุปสรรคในการรับรองฮาลาลของร้านอาหารมุสลิมขนาดกลางและขนาดย่อม: กรณีศึกษา กลุ่มจังหวัดสามเหลี่ยมอันดามัน (กระบี่ พังงา และ ภูเก็ต)

วีระพงษ์ ปัญญาธนะคุณ<sup>1</sup> และปิยะภาคย์ ภูมิภมร<sup>2\*</sup>

<sup>1</sup>คณะสหวิทยาการจัดการและเทคโนโลยี มหาวิทยาลัยเกษตรศาสตร์

<sup>2</sup>คณะประมง มหาวิทยาลัยเกษตรศาสตร์

\*Corresponding Author Email: kbcphys@ku.ac.th

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### บทคัดย่อ

งานวิจัยนี้มีวัตถุประสงค์เพื่อศึกษาอุปสรรคในการรับรองฮาลาลของร้านอาหารมุสลิมขนาดกลางและขนาดเล็กในกลุ่มจังหวัดสามเหลี่ยมอันดามัน โดยใช้วิธีการสัมภาษณ์เชิงลึกแบบกึ่งโครงสร้างกับผู้ประกอบการร้านอาหารมุสลิม ซึ่งยังไม่ได้รับการรับรองฮาลาลจำนวน 30 คน ซึ่งใช้เทคนิคการเลือกตัวอย่างแบบเจาะจงและวิเคราะห์ข้อมูลโดยวิธีวิเคราะห์เนื้อหาเพื่อสร้างข้อสรุป

ผลการวิจัย พบว่า อุปสรรคที่ผู้ประกอบการร้านอาหารมุสลิม เผชิญนั้นสามารถจำแนกได้ทั้งสิ้น 9 ประเด็น ได้แก่ 1) การขาดความตระหนักของผู้ประกอบการ 2) การขาดความตระหนักและความต้องการของผู้บริโภค 3) การขาดความรู้ความเข้าใจเกี่ยวกับกระบวนการรับรองฮาลาล 4) อัตราค่าธรรมเนียมการรับรองที่สูง 5) การขาดการส่งเสริมสนับสนุนจากหน่วยงานที่เกี่ยวข้อง 6) กระบวนการรับรองที่ยุ่งยากซับซ้อน 7) ข้อจำกัดด้านกายภาพและเงินทุน 8) ข้อจำกัดเกี่ยวกับต้นทุนดำเนินธุรกิจของร้านอาหาร และ 9) ความไม่แน่นอนในความปลอดภัยของธุรกิจ การวิจัยชี้ให้เห็นถึงความจำเป็นในการใช้แนวทางเชิงบูรณาการในการจัดการอุปสรรคในการรับรองฮาลาลของร้านอาหารมุสลิม โดยมุ่งเน้นไปยังกลุ่มที่มีส่วนเกี่ยวข้อง 3 ฝ่าย ได้แก่ ภาคธุรกิจ ภาคประชาชน และภาครัฐภายใต้กลยุทธ์ 3 ด้าน ได้แก่ การสนับสนุนการเงิน การปรับปรุงกฎระเบียบ และการเผยแพร่ความรู้

**คำสำคัญ:** การรับรองฮาลาล ร้านอาหารมุสลิมขนาดกลางและขนาดย่อม กลุ่มจังหวัดสามเหลี่ยมอันดามัน

## Obstacles Faced by Small and Medium-Sized Muslim Restaurants in Obtaining Halal Certification: A Case Study of Andaman Triangle Provinces (Krabi, Phangnga and Phuket)

Wiraphong Panyathanakhun<sup>1</sup> and Piyapak Bhumibhamorn<sup>2\*</sup>

<sup>1</sup>Faculty of Interdisciplinary Management and Technology, Kasetsart University

<sup>2</sup>Faculty of Fisheries, Kasetsart University

\*Corresponding Author Email: kbcpys@ku.ac.th

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### Abstract

This research aims to identify the obstacles hindering the SME Muslim restaurants in the Andaman Triangle provinces from obtaining halal certification. The study employed a semi-structured, in-depth interview approach using purposive selection to gather data from thirty SME Muslim restaurant entrepreneurs in the Andaman Triangle provinces who had not previously obtained Halal certification. The interviews collected were then analyzed using content analysis.

As a result, the study findings reveal nine distinct groups of obstacles, namely: 1) lack of awareness among business owners, 2) lack of consumer awareness and demand, 3) lack of knowledge and understanding about certification procedures, 4) costly certification fees, 5) lack of government support, 6) complicated and stringent procedure of certification, 7) physical and financial capital limitation, 8) constraint of business operation costs, and 9) business survival uncertainty. The paper emphasizes the necessity of an integrated approach to addressing the obstacles faced by operators in the halal certification process. The comprehensive solution should collaboratively tackle the issues arising from businesses, consumers, and government bodies through three key strategies: financial support, regulatory simplification, and targeted education.

**Keywords:** Halal Certification, SME Muslim Restaurant, Andaman Triangle Provinces

## Introduction

Halal tourism has witnessed remarkable growth and is now considered one of the fastest-growing segments in the global tourism industry for many reasons, including a higher birth rate than the worldwide average and a rapid middle class expansion in many Islamic countries. Moreover, the growing number of Muslim tourists, especially from Arab countries, is notable for substantial purchasing power. To grab this opportunity, Thai government has placed a clear emphasis on promoting Muslim Friendly Tourism, evident through the continuous implementation of the "Thailand Muslim-Friendly Destination" campaign by the Tourism Authority of Thailand along with the "Thailand's Muslim Delight Destination" campaign by the Department of Tourism.

Muslim tourists represent a distinctive group with unique and specific needs, as religious obligations guided their behaviors and requirements. Consequently, religion significantly influences their destination choices, tourism activities, and service expectations (Panyathanakhun, 2021). Among others, Muslim tourists consider halal food a top priority, ranking it as a "need to have" service in tourist destinations (Mastercard-CrescentRating, 2019). Due to its significance, ensuring that the food served in Muslim restaurants aligns with religious principles is equally significant as having an adequate number of Muslim restaurants in tourist destinations. Therefore, the halal certification of Muslim restaurants plays a vital role in building confidence among Muslim tourists, as it guarantees that the food preparation and sourcing processes strictly adhere to religious requirements (Wannasupchue, Othman, Abidin, Ishak and Mohamad, 2019).

However, the number of Muslim restaurants in Thailand that have obtained halal certification remains limited. The lack of halal certification is most prevalent among small and medium-sized (SME) Muslim restaurants throughout the country despite the Thai government's support through various programs designed to promote the inclusion of SME Muslim restaurants in halal standards.

Acknowledged as one of the top beach destinations in Thailand, the Andaman Triangle provinces, a notable coastal region in southern Thailand, is also recognized as a promising area for halal tourism since the provinces are home to a substantial proportion of the Muslim population along with being located near neighboring countries with a predominantly Muslim population. However, the number of Muslim restaurants in the Andaman Triangle provinces that have received a halal certificate is still minimal. This highlights the necessity to explore the constraints of halal certification for Muslim restaurants in the provinces, particularly among SME Muslim restaurants, which are in huge quantities but often encounter more challenges regarding resource availability and adaptability than larger establishments.

Adding to the given situation, there is a lack of research on the barriers to halal certification of Muslim restaurants in Thailand. Studies on the topic were conducted in specific regions, such as the northeast and the three southern border provinces (Kaewnui, WongvanichtaweendSilalai, 2019;

Wannasupchue, Mohamad, Ishak and Ungku Zainal Abidin, 2023). Hence, there is a limitation in understanding the barriers faced by SME Muslim restaurants in the Andaman Triangle provinces.

## Research Objective

To identify obstacles SME muslim restaurants in Andaman Triangle provinces (Krabi, Phangnga and Phuket) face in obtaining halal certification.

## Scope of Study

This study is conducted within the following research scope:

- 1. Study Aspect:** The investigation focuses on the obstacles SME Muslim restaurants in the Andaman Triangle provinces face in obtaining halal certification.
- 2. Informant:** The data was collected from operators who are owners, partners, or managers of SME Muslim restaurants, each with seating capacity under 100, in the Andaman Triangle provinces. It focused specifically on establishments that have not yet secured official halal certification.
- 3. Geographical Area:** Data was collected from SME Muslim restaurant operators in the Andaman Triangle provinces, including Krabi, Phangnga and Phuket.
- 4. Timeframe:** Data was collected between January and April 2024, with subsequent analysis conducted from May to August 2024.

## Literature Review

### 1. Concept of Halal Food

Halal refers to actions and practices that are considered lawful and permissible. In food context, halal encompasses a comprehensive set of quality control measures for the entire process covering slaughtering, handling, and storage. Certain foods and ingredients are prohibited by Islamic law, for example, alcohol, pigs, dogs, carrion, carnivorous animals (Rahman and Dardak, 2021).

According to 2015 Regulations of Management of Halal Affairs set forth by Central Islamic Committee of Thailand (article 37 and 39), a halal certified restaurant must fulfill the following key criteria: food and ingredients must be free from any non-halal animals and those not slaughtered according to Syariah Law. Food Equipments and places must not be contaminated with anything considered najis (non-halal). Food must be prepared and controlled by Muslims. In addition, food establishments must refrain from serving food and beverages prohibited by Syariah.

### 2. Halal Certification Process in Thailand

The halal certification in Thailand is under the supervision of the Central Islamic Committee of Thailand (CICOT) by the Regulations of Management of Halal Affairs outlined in 2015. Obtaining halal certification for restaurants establishments involves three significant steps including 1) Preparation and Application: restaurant establishments seeking halal certification are required to prepare and submit all

necessary documentation. Those without previous halal certification are required to attend halal training course. 2) Inspection: a team of certified staff will conduct an on-site inspection and may provide constructive feedback and guidance to the business holders. 3) Audit Result Review and Certificate Issuance: The Halal Affairs Committee will carefully review the inspection results and prepare a comprehensive report for the CICOT or the Provincial Islamic Committee for final approval. After the restaurant has been halal-certified, the inspection team will conduct regular monitoring visits without prior notice. (Wannasupchue, Othman, Abidin, Ishak, and Mohamad, 2019)

### 3. Barriers to Halal Certification

The barriers encountered by food entrepreneurs in their pursuit of halal certification can be classified into two distinct categories: internal and external obstacles. Internal barriers pertain to challenges that arise within the organization itself. External barriers, on the other hand, encompass challenges that extend beyond the organization.

Various factors are linked to internal barriers. One significant factor is the lack of understanding and awareness among entrepreneurs. Limited knowledge about halal certification requirements can lead to uncertainty, confusion and misconceptions among restaurant operators. Another internal obstacle is management limitation. This constraint encompasses various aspects, including insufficient commitment from business owners, a lack of necessary skills, knowledge, and motivation among employees, and financial constraints for equipment and facility improvements. Furthermore, certain products served within the premises present another obstacle for some establishments, which may find it challenging to avoid serving alcohol due to business opportunities. (Anwar, Fahrullah and Ridlwan, 2018; Hanim and Noorman, 2023; Prabowo, Abd Rahman, Ab Rahman and Samah, 2015; Arif, Abdullah, Bakar, Mat and Sulaiman, 2021; Marsusvita, Suprayogi and Sucipto, 2021; Hendayani, Sumrahadi, Sifatuland Ganesan, 2019; Ghazali and Wen, 2020).

Regarding external barriers, the lack of publicity and socialization about halal certification and inadequate government support present significant hindrances to halal certification, especially among food business operators. Moreover, It also leads to the lack of awareness and demand among consumers, discouraging business operators from pursuing halal certification. Moreover, complex and stringent procedures pose a significant barrier for SME businesses, as they require substantial time, effort, and financial resources, potentially discouraging some from seeking certification. Another barrier is the limited availability of halal raw materials in some local areas, making it difficult for SME entrepreneurs to find suitable suppliers that meet the required halal criteria (Arif, Abdullah, Bakar, Mat and Sulaiman, 2021; Hanim and Noorman, 2023; Prabowo, Abd Rahman, Ab Rahman and Samah, 2015; Marsusvita, Suprayogi and Sucipto, 2021; Hendayani, Sumrahadi, Sifatul and Ganesan, 2019; Ghazali and Wen, 2020; Anwar, Fahrullah and Ridlwan; Bakar, Zamani, Ahmad and Prasetyaningsih, 2023). In the context of research conducted in some parts of Thailand, Kaewnui, Wongvanichtawee, and Silalai (2019) revealed obstacles to halal certification among Muslim restaurants including managerial and financial constraints

to meet halal standards, lack of awareness among restaurant entrepreneurs, limited customer concerns, and lengthy and costly certification process. Another study by Wannasupchue, Mohamad, Ishak and Ungku Zainal Abidin (2023) found three main challenges: complex certification processes, limited entrepreneurial commitment towards halal certification, and high halal certification fees.

## Research Method

The research collected qualitative data through semi-structured, in-dept interviews with Muslim SME restaurant entrepreneurs in the Andaman Triangle provinces (Krabi, Phangnga and Phuket). A total of 30 cases were selected as key informants, with 10 informants from each province, using a purposive selection method aligned with the study scope. The selection criteria for participants include:

- 1) Holding a position as an owner, partner, or manager.
- 2) Operating a restaurant in a permanent building with no more than 100 seats.
- 3) The restaurant has not been certified halal by the relevant authorities.

Each interview lasted approximately 60 minutes and was recorded using an interview question form that had been previously reviewed for validity by three experts. After completing the interviews, the responses were coded, grouped, and analyzed using content analysis. The findings were validated using data source triangulation, with conclusions drawn when data aligned across at least three informants.

## Results

The research findings are structured into two main sections. Firstly, we explore the informants' profiles, providing insights into the individuals who participated in the study. Next, we delve into the barriers, that SME Muslim restaurant entrepreneurs in the provinces face, in obtaining halal certification.

### 1. Informants' Profiles

The interview was conducted with SME Muslim restaurant operators in the Andaman Triangle provinces, totaling 30 participants (ten participants per province). The informants consisted of 20 females and 10 males and were divided as follows: four individuals aged 20-30, seven individuals aged 31-40, eleven individuals aged 41-50, six individuals aged 51-60, and two individuals aged over 60. Regarding education levels, there are eight individuals with primary school education, nine with junior high school education, seven with senior high school education, and six with undergraduate education. The duration of their involvement in the restaurant business is as follows: 15 individuals have one-five years of experience, four individuals have 6-10 years, five individuals have 11-15 years, two individuals have 16-20 years, and four individuals have over 20 years. (See Table 1)

Table 1: Informants' Profiles

No.	Informant	Gender	Age	Education	Kind of food	Location	Duration (Yr.)
1	KB01	male	55	Primary	Thai and Western food	Krabi	5
2	KB02	female	42	Primary	Thai northeastern food	Krabi	7
3	KB03	female	50	Primary	made-to-order food	Krabi	15
4	KB04	female	30	Lower Secondary	noodle soup	Krabi	5
5.	KB05	female	32	Upper Secondary	made-to-order food and Shabu	Krabi	10
6.	KB06	female	28	Lower Secondary	made-to-order food	Krabi	2
7.	KB07	female	33	Bachelor	Seafood	Krabi	1
8.	KB08	female	48	Primary	Roti and Thai food	Krabi	2
9	KB09	female	45	Upper Secondary	made-to-order food	Krabi	11
10	KB10	male	33	Lower Secondary	Thai northeastern food	Krabi	1
11	PK01	male	63	Upper Secondary	chicken biryani	Phuket	40
12	PK02	female	35	Lower Secondary	rice and curry	Phuket	8
13	PK03	male	45	Lower Secondary	made-to-order food	Phuket	1
14	PK04	female	54	Primary	ox tail soup	Phuket	17
15	PK05	female	44	Lower Secondary	Roti	Phuket	14
16	PK06	male	58	Lower Secondary	made-to-order food	Phuket	22
17	PK07	female	52	Primary	Roti and chicken biryani	Phuket	25
18	PK08	male	38	Bachelor	noodle soup and made-to-order food	Phuket	10
19	PK09	female	27	Upper Secondary	steak and made-to-order food	Phuket	1
20	PK10	male	60	Bachelor	chicken rice	Phuket	2

No.	Informant	Gender	Age	Education	Kind of food	Location	Duration (Yr.)
21	NG01	male	47	Upper Secondary	rice and curry	Phangnga	20
22	NG02	male	48	Bachelor	Thai food	Phangnga	1
23	NG03	female	31	Upper Secondary	Roti, noodle soup and made-to-order food	Phangnga	5
24	NG04	male	45	Bachelor	Thai food	Phangnga	14
25	NG05	female	48	Primary	seafood	Phangnga	15
26	NG06	female	61	Primary	seafood	Phangnga	25
27	NG07	female	49	Upper Secondary	fried chicken, Thai and Western food	Phangnga	2
28	NG08	female	33	Lower Secondary	noodle soup	Phangnga	1
29	NG09	female	29	Bachelor	made-to-order food	Phangnga	1
30	NG10	female	55	Lower Secondary	made-to-order food	Phangnga	2

## 2. Barriers in Obtaining Halal Certification

The primary objective of this study was to investigate the obstacles that SME Muslim restaurant operators in the Andaman Triangle provinces face in obtaining halal certification. After conducting interviews, the responses were coded and categorized into nine distinct groups, revealing the obstacles encountered by these operators in the halal certification process. The identified categories are as follows:

### 2.1 Lack of Awareness Among Business Owners

The interviews revealed that 18 entrepreneurs who mentioned this obstacle are unaware of the significance and advantages of obtaining halal certification. This lack of awareness stems from the belief that their restaurants already adhere to halal standards. They assume that consumers can identify a Muslim restaurant based on the appearance of food vendors' attire and sign in front of the premise. Moreover, some small restaurants operating without intense market competition perceive halal certification as unnecessary. The findings from the interviews are presented below.

*“I don't think small restaurants must obtain a halal certificate, given that we follow the Islamic faith. Additionally, I used to assume that certification was primarily for larger establishments. I had never been informed that small restaurants could apply for it.” (Informant KB09)*

*“From a religious standpoint, we don’t need to ask for halal certification, right? Yes, but we must prepare food cleanly according to Islamic principles. If a person is not a Muslim, they must ask for the certification. As Muslims, we take responsibility for ourselves. Since I am Muslim, why do I need to ask for it? I know myself. If we deceive, all we get is sin.”* (Informant NG07)

## **2.2 Lack of Consumer Awareness and Demand**

Another significant obstacle hindering SME Muslim restaurant operators’ motivation in the Andaman Triangle provinces to pursue halal certification is the relatively low consumer demand and awareness of halal certification. Based on information gathered from 15 informants who specifically mentioned this obstacle, it was found that tourists often do not inquire about a restaurant's halal certification status; instead, they are more inclined to ask whether the vendors are Muslim or rely on the overall appearance of the restaurants to make a decision. Additionally, for certain restaurants, the main customer base is comprised of local Muslims who are familiar with the restaurant owners, resulting in a strong belief that the food served is halal. The responses provided by the informants are presented below.

*“My customers include Muslims, Chinese, and Westerners. Most of them don't ask about halal certification because they recognize that my restaurant is a Muslim establishment. This is likely because the restaurant is well-known and has been in operation for a long time.”* (Informant PK05)

*“I've never been asked if my restaurant is halal certified. However, I have been asked if the restaurant is halal. When I told them, ‘Yes, I am Muslim’, they believed me because I usually dress like a Muslim and wear a hijab. Thai customers typically don't ask if the food is halal; customers from Malaysia frequently ask this question.”* (Informant NG09)

## **2.3 Lack of Knowledge and Understanding of Certification Procedures**

One significant challenge that SME Muslim restaurant operators in the Andaman Triangle provinces face in obtaining halal certification, as revealed by 12 informants, is the lack of the necessary knowledge and understanding of the criteria and procedures. This lack of information is primarily due to the absence of guidance from relevant agencies and the dearth of previous applicants in their circle who have pursued certification. Additionally, there exists a misconception surrounding the agency and process certification. The details of the interviews are presented below.

*“I've always been unsure about the process of obtaining halal certification. I'm not sure which agency or office I should inquire with—should it be the Provincial Office, District Office, or the Ministry of Public Health? The initial steps are unclear to me. However, I am aware that having a halal certification for a restaurant is likely to attract more Muslim customers.”* (Informant KB06)

*“I'm uncertain where to request halal certification, and unfamiliar with the process details. Additionally, I'm unaware of the associated fees, the appropriate agency to contact, and the steps involved in the process.”* (Informant NG09)

#### **2.4 Costly Certification Fees**

The fee associated with halal registration poses a notable challenge for SME Muslim restaurant operators in the Andaman Triangle provinces, as revealed by nine informants. Many operators feel that the annual fee is excessively steep and constitutes an unnecessary expense for their businesses, especially given their adherence to Islamic regulations. Their reluctance to pay stems from the financial burden and doubts about the Islamic Committee's handling and use of the fees they collect. Refer to the quotes provided below for further insight.

*“I think the cost is too high. Are they asking for under-the-table payments? The fee used to be 5,000 baht, but now it's 30,000 or 40,000. What are they doing with all that money? This is why people don't want to do with halal certification. I wouldn't register for it; they ask for too much, and I can't afford it.”* (Informant PK01)

*“To issue a halal logo, there is an annual fee. We think we are Muslims. Why waste money on this? I don't think charging a yearly fee is appropriate, so our restaurant is not halal registered. I don't know what they do with the money. We don't want it; it's a waste of money.”* (Informant NG03)

#### **2.5 Lack of Government Support**

The interviews also highlighted that a significant obstacle hindering the participation of SME Muslim restaurant operators in the halal certification process is the limited access to assistance, supportive projects, and guidance from relevant agencies. This obstacle was mentioned by eight informants. Please refer to the responses below for further details.

*“Currently, no government agencies have provided any information or support, leaving me uncertain about the kind of government assistance we can expect.”* (Informant KB02)

*“There are very few campaigns for our Muslim restaurants. Most schemes, like “Clean Food, Good Taste,” are aimed at Buddhist-owned restaurants. There are only a few that focus on Muslim restaurants.”* (Informant PK04)

#### **2.6 Complicated and Stringent Procedure of Certification**

The information gathered from five informants identifying this obstacle demonstrated that certain SME Muslim restaurant operators lack motivation and hesitate to pursue halal certification due to their perception of the process being complicated, stringent, and time-consuming. See the interview findings below.

*“Having a halal sign is beneficial, but I think it's difficult to obtain. I know many steps to apply, but I'm unsure where to contact them. Many people say the process is so complicated that no one wants to apply. Moreover, I think it's unnecessary since my restaurant isn't large-sized” (Informant NG08)*

*“The process of obtaining the halal certification involves many steps, which might make it difficult for us to succeed. As a result, I find myself hesitating to pursue it. Also, some individuals have suggested that we don't necessarily need to go through the formal application process. Instead, displaying halal symbols in Arabic could indicate our adherence to halal practices.” (Informant KB07)*

## **2.7 Physical and Financial Capital Limitations**

One of the primary limitations faced by SME Muslim restaurants in the Andaman Triangle provinces, as mentioned by three informants, is the limited budgets, equipment and facilities needed to meet halal criteria. These restaurants encounter challenges in affording the costs associated with upgrading and improving facilities. As a result of this obstacle, some entrepreneurs are discouraged from initiating the certification process. Further details can be found below.

*“I don't believe I'm fully prepared for the certification process yet. While we have a prayer room, improvements are required to make it more suitable. However, the cost of upgrading the facilities, including the bathroom, seems to be a significant concern for me at the moment.” (Informant KB05)*

*“It's reasonable for larger restaurants to request a halal certificate due to their capacity. In contrast, our small premises encounter difficulties involved with the substantial budget required for renovation, whereas the food isn't a problem since we don't use any non-halal ingredients.” (Informant KB04)*

## **2.8 Constraint of Business Operation Costs**

As identified by three informants, one additional challenge encountered by SME Muslim restaurant operators in the Andaman Triangle provinces is the constraint of business operation costs, particularly for those located in tourist areas with a substantial presence of non-Muslim tourists. Many of these restaurants are situated in high-rent areas, especially the popular beaches in Krabi and Phuket, which compels them to serve a diverse range of products, including alcoholic beverages, to generate enough income to cover rent and other expenses. The high operating costs also act as a barrier for some establishments to register for halal certification, as it entails expenses related to procedures and registration fees. The interview statements can be found below.

*“Our restaurant strictly does not serve pork. However, to meet the demands of tourists and cope with the challenging business environment, we need to offer alcoholic beverages. Besides, the tourism industry in Ao Nang is primarily driven by non-local entrepreneurs who face high rental costs, ranging from 200,000 to 300,000*

*Baht per month. Selling alcohol has become essential for us to remain financially viable.” (Informant KB01)*

*“For Phuket Province, entrepreneurs face higher overhead expenses and labor costs than other provinces. Rent prices also surpass those of other provinces. These heightened costs do not easily lead to substantial profits for entrepreneurs in Phuket. Phangnga seems more feasible than Phuket and Krabi. There’s a myriad of factors at play. While everyone aspires to obtain the halal certification, the process and training demands a budget.” (Informant PK10)*

### **2.9 Business Survival Uncertainty**

Referring to the responses gathered from three informants, the survival uncertainty of the business is another hindrance for SME Muslim restaurant operators to obtain halal certification initially proposed by this research. This reason was found especially among newly established Muslim restaurant operators who have just started their business and still harbor doubts about the longevity of their ventures. Feelings of uncertainty about the future of their business prompts entrepreneurs to delay their decision to pursue halal certification. Further details are presented below.

*“Because our restaurant has just started operating, we’re still uncertain whether the business will do well. Currently, during the high season, our sales are satisfactory. However, as we enter the low season, we remain unsure about the situation ahead.” (Informant NG09)*

*“I have an idea about obtaining halal certification, but given that our restaurant is relatively small and attracts a limited number of customers, I’m uncertain about its viability. It’s important to assess the situation and determine whether seeking certification is necessary, especially if we must improve the restaurant.” (Informant KB10)*

## **Conclusion and Discussion**

Based on in-depth interviews with 30 informants and content analysis, the paper identifies nine obstacles hindering SME Muslim restaurants in the Andaman Triangle provinces from obtaining halal certification, related to both internal and external business challenges, demonstrating that the process of certification is influenced not only by operational and resource limitations within businesses but also by systemic and structural challenges related to policy support and market awareness.

The results align with previous studies across seven major dimensions, which are: 1) lack of awareness among business owners, 2) lack of consumer awareness and demand, 3) lack of knowledge and understanding about certification procedures, 4) costly certification fees, 5) lack of government support, 6) complicated and stringent procedure of certification, 7) physical and financial capital limitation. The findings align with prior studies (Prabowo, Abd Rahman, Ab Rahman and Samah, 2015;

Anwar, Fahrullah and Ridlwani 2018; Ghazali and Wen, 2020; Wannasupchue, Mohamad, Ishak and Abidin, 2020; Arif, Abdullah, Bakar, Mat and Sulaiman, 2021; Kaewnui, Wongvanichtawee, and Silalai. 2019; Hendayani, Sumrahadi, Sifatul and Ganesan, 2019; Marsusvita, Suprayogi and Sucipto, 2021), reinforcing the notion that the barriers to halal certification for SMEs are both deeply embedded within enterprise-level factors and shaped by broader institutional and societal influences.

However, the study also reveals two additional obstacles beyond the seven obstacles mentioned by previous studies: constraint of business operation costs and business survival uncertainty. High operating expenses in tourist areas compel some restaurant operators to sell alcoholic beverages to cover costs, while others view certification fees as an unnecessary burden. Moreover, newly established businesses, particularly those operating for only one to two years, often delay obtaining halal certification due to concerns about their financial stability and long-term viability. These findings align with Burns's (2016) argument that small businesses face various internal and external limitations affecting their survival and growth, including limited access to financing, lack of skills and resources, tough competition from larger businesses, vulnerability to market and economic changes, and the burden of complex regulations and legal requirements.

## Recommendation

### 1. Recommendation for Policy and Practice

Based on the findings, a comprehensive approach is recommended to address the challenges operators face in the halal certification process, which arise from businesses, consumers, and government bodies. Solutions should target both supply-side factors (business capacity and motivation) and demand-side factors (consumer awareness), and should be implemented through three key strategies: financial support, regulatory simplification, and targeted socialization. Specifically, educational programs should be implemented to improve understanding and awareness, particularly regarding certification procedures and the benefits of halal certification. Promoting the value of halal certification among consumers and operators is essential for encouraging widespread adoption in the market.

In addition, relevant government agencies should play an active role by establishing support and guidance programs for SME restaurants seeking halal certification. Removing unnecessary procedure complexities can make it more feasible for operators. Moreover, financial incentives should be provided for SME operators who face economic and physical constraints in the certification process to enable them to invest in the necessary upgrades and modifications to meet the certification requirements.

### 2. Recommendations for Further Research

This study suggests that future research investigate the challenges of halal certification among Muslim SME restaurants in other tourist cities with large number of Muslim visitors. Alternatively, a quantitative research approach could be employed with a larger sample population to compare

Muslim-owned restaurants with halal certification to those without, in order to examine differences in demand and awareness among Muslim consumers.

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