

CHAPTER I

INTRODUCTION

1.1 Background

The halal food and beverage industry has experienced rapid growth in recent years, especially in countries with significant Muslim populations and also in Western countries such as Germany. According to Pew Research Center (2023), the global Muslim population is estimated to reach around 1.9 billion people or 24% of the world's population, which is a major factor driving the increase in demand for halal products. Halal products are also increasingly in demand by non-Muslim consumers as they are perceived to be more hygienic and of high quality (DinarStandard, 2023).

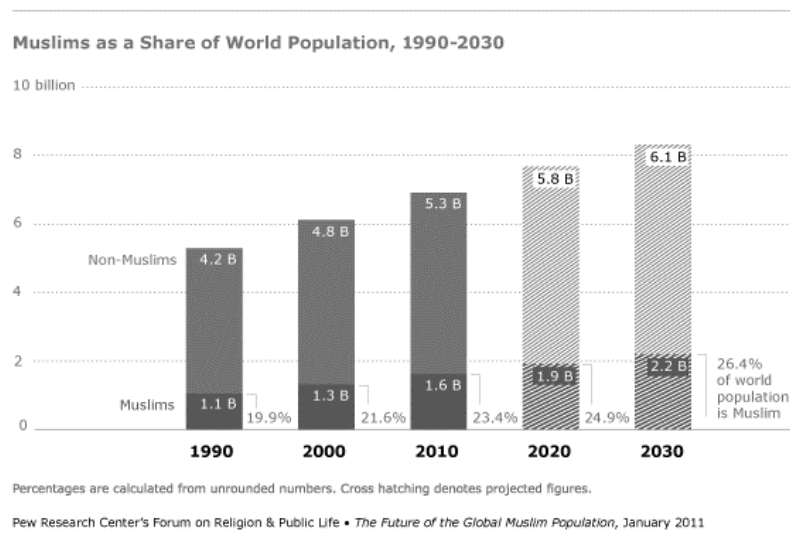


Figure 1.1 Muslim Population

Source: Pew Research Center's

In the German context, an increasing Muslim population of around 5.5 million people in 2022 has created a significant demand for halal food and beverage products (Statistisches Bundesamt, 2023). In addition, the large number of international students in Germany, including at Jade University of Applied Science, adds to the complexity of the demand dynamics for halal products. International

students often face challenges in accessing affordable and quality halal products in non-Muslim countries (Rahman & Khan, 2023).

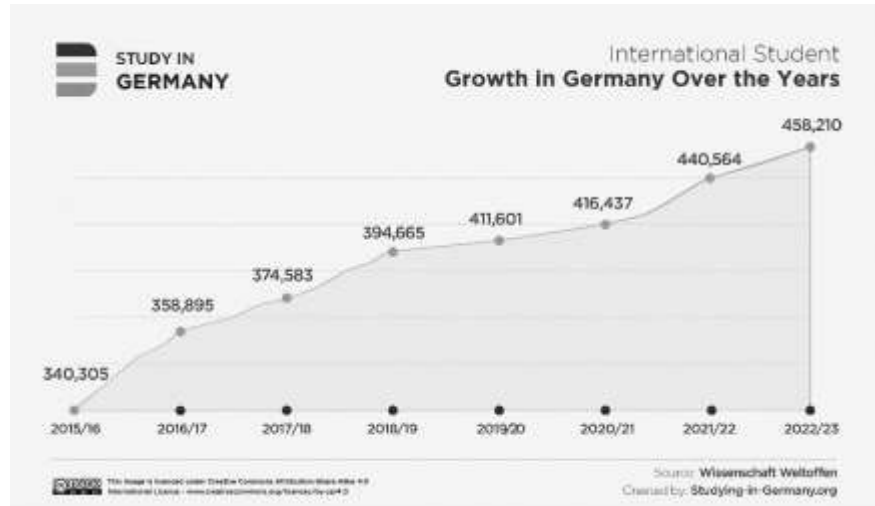


Figure 1.2 Number of International Students in Germany

Source: Wissenschaft Weltoffen

The consumption of halal food, particularly halal meat, among the Muslim population in Germany, is influenced by various factors rooted in religious, cultural, and social contexts. Research focusing on the Turkish Muslim migrant population in Germany utilized the Theory of Planned Behavior (TPB) to explore these determinants. The study identified that personal attitudes towards halal meat, the influence of significant others, and perceived control over halal meat consumption were the main predictors of intention to consume halal meat. In addition, factors such as Muslim self-identity, food acculturation, moral obligation, and belief in the authenticity of halal food play an important role in shaping consumer behavior.

Further research highlights that consumer preference for halal food is not only determined by religious adherence but also by other attributes such as brand, price, promotion, and safety assurance. The importance of halal certification is highly emphasized as it provides the necessary reassurance to Muslim consumers regarding the halalness of the food they purchase. This certification emerged as the most critical attribute influencing consumer preferences in a study that evaluated various attributes of manufactured halal food products.

While the context of this study primarily revolves around the Muslim population in Germany, insights from similar research in other regions, such as Indonesia, can offer a valuable comparative perspective. For example, Indonesian consumers prioritize attributes such as meat color, absence of residue, freshness, and the presence of a halal assurance label. These preferences are segmented into clusters based on purity, clarity, quality, and safety, indicating a granular approach to halal food consumption that could be relevant for understanding consumer behavior in Germany.

However, there are challenges in the supply chain and distribution of halal products. Difficulties in ensuring a supply chain that complies with halal standards as well as logistics and distribution issues are the main obstacles faced by manufacturers and retailers (Rahman & Khan, 2023). This suggests that despite the increasing demand for halal products, there is an urgent need to improve the infrastructure and certification process to better meet this demand.

Research on consumer preferences towards halal products is essential to understanding consumer needs and expectations, especially among international students. According to Ali and Suleiman (2022), consumer preferences towards halal products are influenced by trust in halal certification, product quality, and product availability in the local market. The study also highlighted that trust in halal certification is the main factor influencing consumer purchasing decisions.

This study aims to analyze consumer preferences towards halal food and beverage products among international business studies students at Jade University of Applied Science, Germany. By understanding the preferences and challenges faced by international business studies students, this study is expected to provide useful insights for manufacturers, retailers, and policymakers in improving the availability and quality of halal products.

Based on the background that has been described, the Author is interested in conducting a study entitled: **“Analysis of consumer preferences for halal food: the case of international business studies students at Jade University of Applied Science, Germany”**.

1.2 Formulation of the Problem

Based on the background above, the problem formulation that the author will raise is:

1. What are the consumer preferences of international students at Jade University of Applied Science regarding halal food and beverage products in Germany?
2. What factors influence the preferences and consumption behavior of halal products among international business studies students at Jade University of Applied Science, Germany?
3. How do challenges in the supply chain and distribution of halal products affect the accessibility of high-quality halal products for international business studies students at Jade University of Applied Science, Germany?
4. To what extent does trust in halal certification influence purchasing decisions among international business studies students at Jade University of Applied Science, Germany?

1.3 Purpose of the Study

The main objective of this study is to analyze and understand the consumer preferences of international students at Jade University of Applied Science regarding halal food and beverage products in Germany. By investigating the factors that influence their consumption behavior and identifying the challenges they face in accessing high-quality halal products, this study aims to provide actionable insights for manufacturers, retailers, and policymakers. Specifically, the objectives of this study are as follows:

- a. Identifying Consumer Preferences. To determine the specific preferences of international students at Jade University of Applied Science towards halal food and beverage products, including attributes such as brand, price, promotion, and safety assurance.
- b. Analyzing Influencing Factors. To examine the main factors that influence the preference and consumption behavior of halal products among international students, such as religious observance, social influence, personal attitude, and perceived control.

- c. Evaluating Supply Chain Challenges. To assess the challenges in the supply chain and distribution of halal products that affect the accessibility and affordability of high-quality halal products for international students in Germany.
- d. Measuring the Trust Impact of Halal Certification. To evaluate the extent to which trust in halal certification affects the purchasing decisions of international students, and identify ways to improve the credibility and transparency of the halal certification process.

1.4 Significance of the Study

The significance of the study entitled "**Analysis of Consumer Preferences for Halal Food: The Case of International Business Studies Students at Jade University of Applied Sciences, Germany**" is as follows:

1. Understanding Consumer Preferences. This research will provide valuable insights into the specific preferences of international students at Jade University of Applied Science regarding halal food and beverage products in Germany. By identifying these preferences, manufacturers and retailers can tailor their products and marketing strategies to better meet the needs of this demographic, enhancing consumer satisfaction and loyalty.
2. Identifying Influential Factors. The study will explore the various factors that influence the consumption behavior of halal products among international students. Understanding these factors, such as religious adherence, brand perception, price sensitivity, promotional effectiveness, and safety concerns, will help stakeholders design more effective marketing campaigns and product offerings that resonate with the target audience.
3. Addressing Supply Chain Challenges. By examining the supply chain and distribution challenges affecting the accessibility of high-quality halal products, this research will highlight critical areas for improvement. Addressing these challenges can lead to more efficient logistics, better compliance with halal standards, and ultimately, increased availability of affordable and quality halal products for international students in Germany.

4. **Enhancing Trust in Halal Certification.** The study will assess the extent to which trust in halal certification influences purchasing decisions among international students. Insights gained from this analysis can inform certification bodies and policymakers on how to enhance the credibility and transparency of halal certification processes. This, in turn, can build greater consumer confidence and trust, leading to higher demand and acceptance of halal products.

1.5 Scope and Limitation of the Problem

1.5.1 Scope of Research

This research focuses on analyzing consumer preferences for halal food products among international students at Jade University of Applied Science, Germany. The scope of the study includes:

1. **Research Population:** International business studies students enrolled at Jade University of Applied Science.
2. **Product Type:** Halal-certified food products.
3. **Factors Studied:** Consumer preferences, factors that influence consumption behavior, challenges in the supply and distribution chain, and the influence of trust on halal certification.
4. **Methodology:** Data collection through surveys, interviews, and secondary data analysis from related literature.

1.5.2 Research Problem Limitation

For this research to be more focused and to provide relevant and in-depth results, several limitations need to be considered:

1. **Limited Population:** This study only involved international business studies students at Jade University of Applied Science, so the results may not fully represent all international students in Germany or the Muslim population in Germany in general.
2. **Product Type:** The study focuses on halal food products, excluding non-food products such as cosmetics or pharmaceuticals which may also require halal certification.

3. **Scope of Factors:** The factors studied are limited to those that have the most influence on consumption preferences and behavior, such as personal attitudes, social influence, perceptual control, Muslim self-identity, food acculturation, moral obligation, and belief in the authenticity of halal products. Other factors may also be relevant but are not examined in depth in this study.
4. **Geographical Aspects:** This study was conducted within the Jade University of Applied Science and may not fully reflect conditions in other cities or states in Germany that have different market dynamics.

With the scope and limitations of this problem, the research is expected to provide a clearer and more focused understanding of halal consumer preferences among international students in Germany and provide appropriate recommendations for manufacturers, retailers, and policymakers to improve the availability and quality of halal products.

1.6 Writing System

The systematic writing of the research entitled "**Analysis of Consumer Preferences for Halal Food: The Case of International Business Studies Students at the Jade University of Applied Sciences, Germany**" is as follows:

CHAPTER I: INTRODUCTION

This chapter will explain the background, formulation of the problem, the purpose of the study, the significance of the study, the scope and limitation of the problem, and the writing system.

CHAPTER II: LITERATURE REVIEW

This chapter will explain the related study, literature review, and framework.

CHAPTER III: METHOD AND ACCOMPLISHMENT PROCESS

This chapter will explain the location and object of the study, types and sources of data, population and sample, sampling technique, data collection technique, data processing technique, measurement scale, test of validity and reliability, data analysis method, research hypothesis, research model, types of the study,

concept definition and operational variable, and schedule and budget of the study.

CHAPTER IV: RESULT AND DISCUSSION

This chapter will explain the Result, discussion, and limitations of the study.

CHAPTER V: CONCLUSIONS AND SUGGESTIONS

This chapter will explain the conclusions and the suggestions.

REFERENCES

APPENDICES

WRITER BIOGRAPHY