

Literature Review: Halal Culinary Marketing Strategy To Improve The Competitiveness MSMEs In Indonesia

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ABSTRACT

Micro, Small, and Medium Enterprises (MSMEs) are one of the main pillars of the Indonesian economy, including the culinary sector. Food is considered one of the significant aspects that affect visitor satisfaction with a destination, especially Muslims. Local food that is currently trending is enough to increase its own interest in the community, especially Muslims, namely Warung Pecel based on Sharia or Halal. It is one type of MSME that combines the principles of shari'ah with their business activities. The purpose of this literature review is to identify marketing strategies that can be used to increase the competitiveness of Sharia pecel pinstripe rice stalls. This research uses the literature review method of journals from ScienceDirect, Researchgate, and Google Scholar. The results of the literature review show that there are 15 articles explaining several marketing strategies that can be applied to increase the competitiveness of Sharia pecel rice stalls. Relevant marketing strategies include the application of digital marketing, market segmentation, and appropriate targeting, branding and product differentiation, network marketing and strategic alliances, use of social media, value-based marketing, effective marketing promotion and communication, and experience marketing. In addition, by understanding the values of Sharia and promoting them effectively, Warung Pecel can differentiate itself from competitors and create a unique experience for customers. The limitation of the study which samples of MSMEs with pecel stalls.

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are one of the main pillars of the Indonesian economy. MSMEs are part of an independent national economy and have great potential to improve people's welfare. Various efforts have been made by the government to increase the number of MSMEs in the regions. The role of the government is to stimulate business actors to improve the economy. Food is considered one of the significant aspects that affect visitor satisfaction with a destination, as it allows for a more satisfying sensory experience by utilizing all the senses whether indigenous or tourist (Hall, Sharples, Mitchell, Macionis, & Cambourne, 2004). Local cuisine provides tourists with an authentic cultural experience of the host destination and serves as a core manifestation of its intangible heritage (Oktadiana, Pearce, & Chon, 2016), thus giving the destination a marketable image (Quan & Wang, 2004); 63 Henderson, 2009). Historically, the services and facilities frequented by Muslim tourists

differed from conventional tourists with the availability of Halal cuisine being the most relevant and sought-after option for them (Dinar Standard, 2012). This has led to an increasing interest in Halal tourism, an emerging trend in the domain of tourism and hospitality, which mainly focuses on developing and providing different tourism products and services to meet the typical requirements of Muslim tourists according to their needs and religious teachings (Battour & Ismail, 2016).

The global Muslim population as a whole is large and growing. It is estimated to be 1.8 billion in 2015, making up about 24.1% of the world's population, a proportion that is projected to increase to 31.1% with 3 billion inhabitants by 2020 (Pew Research Center, 2017). Existing research on Muslim travelers is largely theoretical and descriptive (Oktadiana, Pierce & Chon, 2016), articulating knowledge related to Islamic perspectives on tourism (El-Gohary, 2016) and considering behavioral traits of Muslim travelers that are in accordance with Islamic teachings (Papastathopoulos, Kaminakis, & Mertzanis, 2020). There is a research void on strategizing the marketing framework underlying the promotion of halal culinary and tourism. Therefore, the current study aims to analyze marketing strategies related to Halal culinary demand in particular for East Java local food MSMEs, namely pecel with Sharia principles (Cahyono et al., 2023).

Pecel rice stalls with Sharia principles have become one of the increasingly popular forms of micro, small, and medium enterprises (MSMEs) in Indonesia. Warung nasi pecel halal not only offers delicious dishes but also applies the principles of shari'ah in every aspect of its operations. However, with increasing competition in the food and beverage industry, it is important for halal pecel rice stalls to develop effective marketing strategies to increase their competitiveness (Abdul, Ismail, Mustapha, & Kusuma, 2013). Referring to the opinions of Bukhari Alma and Donni Juni Priansa, Sharia marketing is a business discipline that shows the process of creating, offering, and changing values from one initiator to stakeholders, where the overall process is adjusted to the principles and covenants of the Qur'an and hadith Buchari Alma and Donni Juni Priansa, "Instilling Sharia Values and Practices in Contemporary Business" (Diah Karmiyati & Ruhtata, n.d.).

Regarding the concept of marketing and the market, there are not so many differentiators or almost there are similarities between the market concept in the conventional economic system and the Islamic economic system. Both are distinguished between the contract system and merchandise where the contract must be in accordance with the principles of the contract as well as the purpose of the contract and the transaction of the activity itself. Sharia marketing strategy is also defined as a business strategy directed at the process of creation, offering to stakeholders as an initiator guided by the Qur'an and Al-Hadith applying good (Muali & Nisa, n.d.). This study aims to review the literature on marketing strategies that can be used to increase the competitiveness of MSMEs pecel rice stalls in the principles of Sharia, by being chosen as a case study because it has succeeded in attracting the attention of consumers and achieving success in running their business with an approach based on Sharia principles.

Relevant marketing strategies, including the implementation of digital marketing, market segmentation and appropriate targeting, branding and product differentiation, network marketing and strategic alliances, use of social media, value-based marketing, effective marketing promotion and communications, and experiential marketing. By understanding marketing strategies that have proven successful in the context of sharia-based MSMEs, they can adopt and implement the right strategies to increase their business competitiveness.

In the end, this research is expected to contribute to the development of knowledge about marketing strategies in the context of Shari'ah MSME business. With an increased understanding of effective marketing strategies, Sharia MSMEs can further develop, survive, and contribute to an inclusive Sharia-based economy.

METHODS

This research is a literature review conducted to identify effective marketing strategies in increasing the competitiveness of halal pecel rice stalls. This research method involves the stage of collection, selection, and analysis of previously published relevant literature (Triandini, Jayanatha, Indrawan, Putra, & Iswara, 2019).

Literature Collection: The first stage in this study is the collection of literature related to marketing strategies for Sharia MSMEs and increasing the competitiveness of pecel rice stalls. Literature can be obtained through searches in academic databases, online journals, books, and other reliable sources. Literature selection criteria include relevance to the research topic, novelty of information, and reliability of sources. This study collects 35 articles that will be further selected according to a more specific scope.

Literature Selection: After literature collection, selection is made to select the most relevant and high-quality literature. The selected literature must have a direct relationship with the marketing strategy for Shari'ah MSMEs and increase the competitiveness of pecel rice stalls. Literature selection is done based on the abstract, title, and content of each related article or journal. So, this study got 15 articles that will be analyzed more specifically.

Literature Analysis: The final stage is the analysis of selected literature. At this stage, the selected literature will be critically analyzed to identify the main themes, perspectives, and findings relevant to marketing strategies to increase the competitiveness of halal pecel rice stalls. The results of the analysis will be compiled in the form of a synthesis or summary that will be used to compile a literature review. In this study, the research method in the form of literature review was used because it aimed to explore existing knowledge in the field of marketing strategies for Sharia MSMEs. Thus, this method allows researchers to utilize previous research that has been done by experts in the field. Through this research method, it is expected to produce a more comprehensive understanding of effective marketing strategies to increase the competitiveness of sharia-based pecel rice stalls, by utilizing findings and recommendations from previously published literature.

RESULTS AND DISCUSSION

Some important points in the discussion of the Journal Review of Marketing Strategies to Increase the Competitiveness of MSMEs. The implementation of digital marketing in halal pecel stalls can provide significant benefits in increasing visibility, developing market share, and strengthening relationships with customers. Here are some examples of the application of digital marketing that can be done by halal MSMEs (Anggara, Anggraini, Lurrohman, Sitanggang, & Fransiska, 2022) (Bohari, Cheng, & Fuad, 2013); (Khan, Hashim, & Bhutto, 2022); (Bohari et al., 2013) (Nu'man, Nurwandi, Bachtiar, Aspiranti, & Pratama, 2020) stated that *First*, Building and Optimizing a Website: pecel stalls can have an official website that displays information about the menu, location, operating hours, and shari'ah values applied. The website can also be used to receive online orders, reservations, and feedback from customers. *Second*, Utilizing Social Media: pecel stalls can create and manage social media accounts such as Facebook, Instagram, and Twitter to interact with customers directly.

Social media can be used to promote special menus, share photos of interesting meals, provide up-to-date information, and respond to customer questions or feedback. *Third*, Creating Quality Content: pecel stalls can create informative and interesting content related to food, culture, and shari'ah principles. The content can be in the form of articles, blogs, or videos that introduce the uniqueness and privileges of pecel stalls to a wider audience (Masruroh, 2020). *Fourth*, Optimizing Local Search (Local SEO): pecel stalls can optimize local searches through Google My Business or similar platforms. This will allow pecel stalls to appear in search results when users search for the nearest food stall in the area. *Fifth*, Loyalty Program and Email Promotion: Warung Pecel can develop customer loyalty programs and collect customer email addresses to send exclusive promotions, discounts, or special offers. These emails can help build a closer relationship with customers and increase their loyalty (Manyanga, Makanyeza, &

Muranda, 2022). *Sixth*, Collaboration with Influencers or Bloggers: pecel stalls can collaborate with influencers or local bloggers who have relevant followers. Influencers or bloggers can help promote the stall through their content, such as food reviews or appearances on their social media .

The application of digital marketing in halal pecel stalls must be adjusted to the available resources and the preferences of the target market. By utilizing digital marketing strategies well, halal pecel stalls can increase visibility, reach more potential customers, and build stronger relationships with existing customers. With the existence of digital marketing programs will form efforts to increase the number of markets and form the right target goals.

In market segmentation and proper targeting, pecel stalls need to understand well the characteristics and preferences of potential customers in accordance with the sharia values that are firmly held by the stall. There are some factors that can be considered in market segmentation and proper targeting for halal pecel stalls (Ramli, Abd Razak, & Jaafar, 2023). Various principles are carried out to meet market needs in accordance with the wishes of the community, especially Muslims. Sharia compliance is when halal pecel stalls can consider market segments that have concern for the principles of shari'ah in the selection of food and beverages. Those who seek food that complies with halal standards, is ethically obtained, and adheres to the principles of shari'ah can be a relevant segment to target (Ahmed, Streimikiene, Channar, Soomro, & Streimikis, 2021). Geographical occupancy is that halal pecel stalls segment based on geographical location, such as regions, cities, or areas that have significant Muslim populations. This helps in reaching customers regarding a more accessible lifestyle and strengthens the position of stalls in local communities (Papastathopoulos et al., 2020).

Consider certain life styles or preferences that may be relevant to Sharia values. For example, people who adopt a healthy diet, are vegetarian, or who are interested in organic food can be relevant segments to be targeted by pecel stalls. The presence of demographic factors such as age, gender, income, and occupation can be taken into consideration. For example, family groups, young professionals, or college students can be interesting segments to target. We can consider market segments that value the added value offered, such as cleanliness, friendly service, comfortable atmosphere, or the use of fresh and high-quality ingredients in food. Paying attention to customers who are already loyal and visit often. Understanding their preferences and needs well can help in retaining existing customers and creating loyalty programs accordingly (Monoarfa, Juliana, Setiawan, & Abu Karim, 2023). In proper market segmentation and targeting, it is important to conduct market research, customer surveys, or analysis of relevant data to gain a deeper understanding of the preferences and needs of potential customers desired by warung pecel. By understanding well the intended market segment, pecel stalls with sharia principles can direct their marketing efforts more effectively and increase competitiveness in the increasingly competitive food and beverage industry.

Another finding from this study is that the use of social media can be an effective marketing strategy for pecel stalls to expand reach, build brand awareness, and strengthen relationships with customers. (Budi Setya Nusa & Sri Rahmawati, n.d.) revealed that there are various ways to use social media, such as creating and managing business accounts on social media platforms such as Facebook, Instagram, Twitter, or other platforms that suit their target market. This allows pecel stalls to introduce their brands and interact directly with customers. Share interesting and relevant content related to food, culture, and the principles of Shari'ah. This content can be in the form of mouth-watering food photos, recipes, food tips, or other interesting information that can attract social media followers. In addition, previous research states if using social media to provide special promotions, discounts, or special offers to their followers. This can increase follower engagement and encourage them to visit or order food from the stall (Chusnul Muali and Khoirun Nisa, 2019).

There are assumptions and actions that must be active in responding to comments, messages, or feedback received through social media. This reflects hospitality and good service, as well as helps

build closer relationships with customers. Paying attention and answering questions or complaints quickly is also important to maintain customer trust. Next, hold contests or giveaways through social media to increase follower engagement. For example, inviting followers to share photos of their food from pecel stalls with special hashtags or answer interesting questions for a chance to win prizes (Mubarok, 2021). Furthermore, the principles of social media carried out in previous research using collaboration with influencers are collaborating with influencers or social media accounts that have relevant followers. This collaboration can include free food delivery to influencers for review or holding special events with influencers to increase brand exposure of Sharia principles (Monoarfa et al., 2023).

It is important to maintain consistency in posts and interactions on social media. Putting together a regular posting schedule, using quality photos and interesting content, and interacting with followers consistently will help build a presence on social media. In using social media, pecel stalls must also understand the policies and ethics of using social media and maintain their reputation and brand image. By making good use of social media, pecel stalls can increase their brand presence, build a loyal community of followers, and increase their popularity and competitiveness in the market.

CONCLUSION

The conclusion of the review journal on marketing strategies to increase the competitiveness of halal pecel rice stalls, namely the implementation of digital marketing strategies is important for pecel stalls to increase visibility and reach a wider target market. Through the use of websites, social media, and email marketing, pecel stalls can expand their business reach and build closer relationships with customers.

The existence of proper market segmentation is the key to increasing the competitiveness of pecel stalls. Understanding the needs and preferences of potential customers that conform to Shari'ah values can direct their marketing efforts more effectively. Segmentation based on shari'ah compliance, geographical location, lifestyle, demographic group, and added value can help pecel stalls reach a more relevant target market. The use of social media becomes an effective tool to build brand awareness, interact with customers, and promote products or services. By utilizing social media such as Facebook, Instagram, and Twitter, pecel stalls can reach potential customers, share interesting content, and provide special promotions to increase customer engagement.

The existence of collaboration with influencers or social media accounts that have relevant followers can also help in expanding the reach and increasing exposure of sharia-based warung pecel brands. Through reviews or appearances on influencers' social media, pecel stalls can attract the attention and trust of a wider audience.

In conclusion, an effective and targeted marketing strategy can help pecel stalls in increasing their competitiveness in the market. With the implementation of digital marketing strategies, proper market segmentation, and good use of social media, pecel stalls can expand their business reach, build strong relationships with customers, and create competitive advantages in the Sharia MSME industry.

The limitation of this research is the discussion of umkm on local East Java food in Indonesia. Therefore, in future research, it is hoped that it will expand the area by providing a literature review related to halal culinary in all regions of Indonesia for each cluster. This research variable only discusses marketing strategy, digital marketing and social media. there is a need for further expansion regarding variables such as endorsements, brand trust, satisfaction, relationship marketing etc (Kishada & Wahab, 2015).

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