

Enhancing Halal Procurement Strategies in the Hospitality Industry: Challenges, Solutions, and Future Directions

Eka Nuraisah Rosiana^{1*}, Siti Yulia Irani Nugraha², Wanti Arum Wanti³, Mega Fitriani Adiwarna Prawira⁴

¹⁻³Department of Hospitality, Politeknik Pariwisata NHI Bandung

⁴Department of Tourism, Politeknik Pariwisata NHI Bandung

Email: ekn@poltekpar-nhi.ac.id

Abstract

The growth of halal tourism has heightened the need for structured halal procurement in the hospitality industry. However, hotels face supply chain disruptions, regulatory inconsistencies, financial constraints, and knowledge gaps, particularly in non-Muslim-majority regions. This study examines these barriers and proposes strategic interventions to enhance halal procurement efficiency. Findings indicate that limited access to certified halal suppliers, high certification costs, and inconsistent global regulations hinder procurement effectiveness. Additionally, insufficient training among hospitality staff exacerbates compliance challenges, impacting service quality and consumer trust. To address these issues, this study recommends expanding supplier networks through international partnerships, integrating structured halal training programs, and introducing financial incentives such as tax reliefs and certification subsidies. Furthermore, harmonizing global halal standards through mutual recognition agreements (MRAs) and leveraging blockchain-based tracking systems can enhance regulatory transparency and supply chain integrity. By strengthening halal procurement, hotels can boost operational efficiency, increase competitiveness, and reinforce consumer confidence, positioning themselves as key players in the global halal hospitality market.

Keywords: Halal Procurement; Hospitality Industry; Halal Certification; Supply Chain Management; Halal Tourism.

A. INTRODUCTION

The rapid expansion of Muslim-friendly tourism has significantly reshaped the global hospitality industry, driven by the increasing Muslim population and their demand for Shariah-compliant services. Halal tourism integrates accommodations, hospitality services, and food options that align with Islamic principles, catering to travelers who prioritize halal-certified food, prayer facilities, and ethical business practices (Haque et al., 2019; Qurtubi et al., 2021; Sulaiman et al., 2021). To remain competitive, hotels must adopt structured halal procurement strategies, as studies indicate that halal certification enhances customer trust, operational efficiency, and brand loyalty (Muin et al., 2024; Puad et al., 2020; Samsudin & Putra, 2020; Shariff et al., 2021).

Beyond consumer preferences, institutional regulations and certification frameworks reinforce the necessity of halal compliance in hospitality. Countries such as Malaysia mandate that only halal-certified establishments can participate in government-affiliated functions, compelling hotels to comply for market competitiveness (Musa et al., 2019; Salleh et al., 2014). Studies suggest that hotels with robust halal procurement systems improve consumer trust and satisfaction and experience higher repeat patronage (Haque et al., 2019; Ruzulan et al., 2023; Sulaiman et al., 2021). Thus, halal procurement is a regulatory requirement and a strategic business advantage that enhances brand reputation and long-term sustainability (Ruzulan et al., 2022; Said et al., 2018).

A well-structured halal procurement system ensures compliance with Islamic law, covering halal-certified food, beverages, and operational supplies (Balah & Makakena, 2024). However, despite the benefits, its implementation presents significant challenges, particularly regarding regulatory compliance, supplier limitations, and financial constraints. Various halal certification bodies, such as JAKIM (Malaysia), MUIS

(Singapore), MUI (Indonesia), and the Halal Food Authority (UK), have established stringent compliance guidelines (Shari et al., 2021). While these frameworks regulate food sourcing and supply chain transparency, discrepancies in halal certification standards across different countries create complexities for multinational hotel chains (Boğan, E., & Sarıışık et al., 2019). These inconsistencies complicate supply chain management, as travelers may encounter variations in halal offerings depending on their location, affecting consumer confidence and business operations (Ismail et al., 2022).

Beyond regulatory hurdles, hotels must also navigate supplier shortages, knowledge gaps, and financial burdens in adopting halal procurement practices. The scarcity of certified halal suppliers, particularly in non-Muslim-majority regions, disrupts supply chain consistency and raises concerns about product authenticity (Rafiuddin et al., 2024). Additionally, many hotel management teams lack sufficient knowledge of halal certification, increasing the risk of unintentional non-compliance and reputational damage (A. H. Aziz & Moniruzzaman, 2022). While structured training programs could bridge this gap, many hotels lack systematic initiatives to ensure staff competency in halal procurement (Robbani, 2021). Furthermore, high certification costs, supply chain modifications, and ongoing compliance audits impose financial constraints, particularly for small and mid-sized hotels (Abdou et al., 2024; Ismail et al., 2022).

Given these challenges, this study adopts a desk study approach to analyze existing literature, case studies, and regulatory frameworks related to hotel halal procurement. This method provides insights into global trends, policy frameworks, and industry best practices, offering practical solutions without the limitations of primary data collection. The study explores strategies, obstacles, and optimization techniques to enhance halal procurement implementation in star-rated hotels. Addressing these challenges requires a multi-faceted strategy, including strengthening supplier networks, improving staff competency, integrating technology for supply chain transparency, and fostering collaboration with halal certification authorities. Furthermore, harmonizing global halal certification standards through cooperation among policymakers, industry stakeholders, and regulatory bodies is essential for reducing inconsistencies and ensuring broader halal adoption in the hospitality sector.

This paper uses a desk study methodology to examine academic research and industry practices to provide practical recommendations for hotel operators, policymakers, and halal certification authorities. The findings contribute to the broader discourse on halal tourism, offering valuable insights for stakeholders seeking to enhance halal hospitality services and meet the growing global demand for Sharia-compliant accommodations.

B. LITERATURE REVIEW

Halal Procurement in the Hospitality Industry

Halal procurement constitutes a systematic and strategic approach to sourcing goods and services that comply with Islamic law, ensuring that every aspect of hotel operations—particularly food and beverage services—adheres to Shariah principles (Balah & Makakena, 2024). The growing demand for halal-friendly accommodations has driven hotels to develop structured procurement systems emphasizing halal certification, ethical sourcing, and supply chain transparency (Ali et al., 2021; N. Z. Othman & Isa, 2022). Beyond food services, halal procurement extends to Shariah-compliant amenities, such as non-alcoholic beverages, prayer-friendly room designs, and halal-certified toiletries (Halimi et al., 2021; Mohd et al., 2019). Integrating comprehensive halal procurement strategies enhances a hotel's competitiveness, fosters consumer trust, and strengthens brand loyalty among Muslim travelers (Puad et al., 2020; Shariff et al., 2021). Maintaining a transparent halal supply chain reinforces compliance with religious and industry regulations, positioning hotels more favorably in the competitive halal tourism market (Muin et al., 2024; Samsudin & Putra, 2020).

Despite these benefits, implementing halal procurement remains complex due to limited supplier availability, financial constraints, and discrepancies in global halal certification standards (Haque et al., 2019; Sulaiman et al., 2021). One of the primary obstacles is the scarcity of certified halal suppliers, particularly in non-Muslim-majority regions, which disrupts supply chain consistency and limits access to authentic halal products

(Boğan, E., & Sarıışık et al., 2019). As the halal tourism sector expands, ensuring supply chain reliability becomes increasingly critical, as guests expect uniform halal standards across all hotel services (A. H. A. Aziz & Salleh, 2017).

Another significant challenge is the lack of awareness and expertise among hotel management and procurement teams regarding halal procurement regulations. Without adequate training, staff may unintentionally engage in non-compliant procurement practices, potentially compromising a hotel's credibility and consumer trust (Rahmah et al., 2021). Research suggests that structured training programs can bridge knowledge gaps, ensuring that employees fully understand halal certification requirements and procurement protocols, thereby improving compliance rates and operational efficiency (Boğan, E., & Sarıışık et al., 2019). Beyond operational barriers, financial constraints also pose significant hurdles to halal procurement adoption. The costs associated with halal certification, periodic audits, and supply chain modifications can be prohibitive, especially for small and mid-sized hotels operating on tight budgets (Shaleha, 2023). Additionally, certified halal suppliers often impose premium pricing, increasing operational expenses (Araslı et al., 2021). These economic challenges are compounded by the highly competitive nature of the hospitality industry, where cost efficiency remains a top priority for hotel operators (Alsetoohy & Ayoun, 2018).

Despite these challenges, halal procurement remains a crucial component of the hospitality industry, offering hotels a strategic advantage in catering to the growing Muslim travel market. Addressing these barriers requires a multi-faceted approach, including strengthening supplier networks, investing in staff training, and fostering partnerships with halal certification bodies to facilitate compliance while optimizing costs. By implementing these strategies, hotels can effectively align with the rising demand for halal tourism, ensuring customer trust, brand credibility, and long-term market sustainability.

Regulatory Frameworks and Certification Standards

Regulatory compliance is the foundation of halal procurement, ensuring that all food, beverages, and services adhere to Shariah-compliant standards. Various national and international halal certification bodies regulate slaughtering practices, food processing, storage, and hygiene protocols, enabling hotels to maintain a fully compliant and transparent halal procurement system (Musa et al., 2019; Salleh et al., 2014). Among the most influential certification authorities are JAKIM (Malaysia), MUIS (Singapore), MUI (Indonesia), and the Halal Food Authority (UK), each of which has developed distinct certification frameworks tailored to their respective regulatory environments (Daud et al., 2023; Harsanto et al., 2024; Shari et al., 2021). Compliance with these rigorous standards ensures adherence to Islamic dietary laws, reinforces hygiene best practices, and upholds ethical considerations, all of which are critical for maintaining the integrity of the halal supply chain (Daud et al., 2023).

Beyond legal obligations, effective halal certification enhances consumer trust, directly influencing customer satisfaction, brand reputation, and market positioning (Hariani & Hanafiah, 2023). However, despite the presence of multiple certification bodies, the lack of standardization in halal regulations across different jurisdictions poses significant challenges for multinational hotel chains (Boğan, E., & Sarıışık et al., 2019). Some certification agencies permit specific food additives, while others impose strict prohibitions, leading to discrepancies in ingredient sourcing and compliance requirements (Ismail et al., 2022). These inconsistencies complicate procurement operations, requiring hotels to undertake extensive supply chain modifications and increasing operational costs (Ruzulan et al., 2023). Additionally, the absence of universally recognized halal standards can lead to consumer skepticism, potentially undermining guest confidence in a hotel's offerings.

Scholars advocate for a globally harmonized halal certification framework to address these regulatory inconsistencies. Establishing a unified certification system would facilitate cross-border trade, streamline procurement processes, and reduce compliance burdens for international hotel operators (Lee & Ilesham, 2019; Usman et al., 2021). Researchers highlight the need for intergovernmental collaboration among halal certifying bodies, trade organizations, and industry stakeholders to develop a standardized halal regulatory system

(Hariani & Hanafiah, 2023; Nekha & Kartikawati, 2022). Greater regulatory alignment would enhance transparency, strengthen consumer trust, and solidify the credibility of halal hospitality services worldwide (Ismail et al., 2022).

While regulatory compliance remains integral to halal procurement, the fragmentation of halal certification standards remains a major obstacle for multinational hotel chains. To overcome these challenges, a coordinated international standardization initiative is necessary. The hospitality sector can achieve greater efficiency, cost-effectiveness, and consumer confidence by fostering policy harmonization, enhancing cross-border cooperation, and integrating a globally recognized halal certification system. These measures will not only streamline hotel procurement operations but also support the expansion of the halal tourism market, reinforcing its role as a key driver of sustainable growth in the global hospitality industry.

Challenges in Implementing Halal Procurement

The implementation of halal procurement in the hospitality industry faces challenges related to supplier availability, knowledge gaps, and financial constraints. These barriers hinder hotels from maintaining a consistent and compliant halal supply chain, requiring industry stakeholders to collaborate to improve accessibility and streamline compliance processes. A key challenge is the limited availability of certified halal suppliers, especially in non-Muslim-majority regions. Supply shortages make it difficult for hotels to source authentic halal products, while the high cost of certification discourages suppliers from obtaining accreditation, further restricting procurement options (Abdou et al., 2024; A. H. Aziz & Moniruzzaman, 2022; Rafiuddin et al., 2024). This limitation increases operational risks, as hotels may struggle to verify product authenticity and maintain consistent halal standards.

Another major issue is the lack of awareness among hotel management and procurement teams regarding halal certification requirements. Without proper training, unintentional non-compliance can occur, undermining consumer trust and service quality (Robbani, 2021; Sulaiman et al., 2021). Structured training programs are essential to equip staff with the knowledge to manage halal procurement effectively and ensure consistent compliance (Y. Othman et al., 2022). Financial constraints further complicate halal procurement, particularly for small and mid-sized hotels. The costs associated with certification, supplier verification, and operational modifications, such as dedicated halal storage and kitchen facilities, create significant financial burdens (Ismail et al., 2022; Usman et al., 2021). These expenses and highly competitive market pressures deter some hotels from fully adopting halal procurement practices, limiting their access to the growing halal tourism sector (Amalia et al., 2023; Sarisae, 2023). Expanding supplier networks, investing in staff training, and providing financial incentives are crucial to overcome these challenges. Collaboration between hotels, certification bodies, and policymakers can enhance the accessibility, affordability, and efficiency of halal procurement, ensuring greater compliance and strengthening the industry's long-term sustainability.

C. METHODS

This study employs a desk study methodology, focusing on the systematic review and analysis of existing literature, industry reports, and regulatory documents related to halal procurement in the hospitality sector. Utilizing secondary data enables a comprehensive examination of procurement strategies, challenges, and regulatory frameworks without the constraints of primary data collection. Relevant academic publications, industry white papers, and halal certification guidelines were sourced from peer-reviewed journals, government reports, and halal certification bodies such as JAKIM, MUIS, MUI, and the Halal Food Authority. The selection process involved keyword-based searches using terms like "halal procurement," "halal certification in hotels," and "Shariah-compliant supply chains" in databases, including Crossref and ResearchGate, to ensure a broad yet focused dataset.

The collected data was analyzed through qualitative content analysis, identifying recurring themes related to supplier availability, compliance challenges, financial constraints, and regulatory inconsistencies.

Comparative analysis was applied to evaluate best practices across different regions, highlighting variations in halal certification standards and identifying areas requiring harmonization. This method also facilitated the identification of critical gaps in existing research, enabling a structured discussion on policy recommendations and strategic improvements for halal procurement in hotels. Only sources published within the last decade were prioritized to ensure reliability and validity, with foundational studies and key regulatory documents included where necessary. Findings were cross-referenced from multiple sources to enhance credibility and minimize potential biases in secondary data analysis. By synthesizing existing research and industry practices, this study provides evidence-based insights into overcoming procurement challenges and fostering a more efficient and standardized halal supply chain in the hospitality industry.

D. RESULTS AND DISCUSSIONS

Data Used

This study draws upon various secondary data sources, including peer-reviewed journal articles, industry reports, government regulations, and halal certification guidelines. The data primarily focuses on halal procurement practices in the hospitality industry, covering supply chain management, compliance challenges, financial constraints, and regulatory frameworks. Key references include halal certification bodies such as JAKIM (Malaysia), MUIS (Singapore), MUI (Indonesia), and the Halal Food Authority (UK), providing insights into the standardization and implementation of halal procurement across different regions. Additionally, case studies from Southeast Asia, the Middle East, Europe, and North America highlight the variations in supplier availability, regulatory frameworks, and market readiness for halal-certified hospitality services. The study identifies major procurement challenges, emerging best practices, and potential strategic improvements for the hospitality sector by analyzing this data.

Evaluation of Current Conditions

The hospitality industry faces significant challenges in halal procurement, particularly in non-Muslim-majority regions where the scarcity of certified halal suppliers disrupts supply chains and limits procurement options. The high costs associated with halal certification deter potential suppliers from seeking accreditation, reducing the pool of available halal-certified products. Research highlights that regions with well-established halal markets, such as Southeast Asia and the Middle East, benefit from stronger supplier networks and regulatory frameworks, whereas hotels in Europe and North America experience greater procurement difficulties due to fragmented halal certification systems (Ali et al., 2021; Zailani et al., 2017). Another critical challenge is the knowledge gap regarding halal compliance among hotel management and procurement teams. Studies indicate that many businesses lack an adequate understanding of halal certification processes, resulting in operational inefficiencies and risks to halal integrity. Small and medium enterprises (SMEs) particularly struggle with maintaining compliance due to the complexity of halal regulations and inadequate training resources (Ikawati et al., 2024; Wahyuni & Pudjowati, 2024). Hotels implementing structured training programs and supplier education initiatives demonstrate higher compliance levels and greater consumer trust (Islam et al., 2023).

Financial constraints also play a major role in hindering halal procurement adoption. The cost of certification, supplier verification, and infrastructure modifications poses a burden, especially for small and mid-sized hotels. Research highlights that the financial implications of halal compliance deter many SMEs from pursuing certification, thus limiting their competitiveness in the halal hospitality market (Algaisya & Rosadhillah, 2024; Tieman et al., 2012). In contrast, large hotel chains and businesses in regions with subsidized certification programs or government support face fewer financial barriers (Annabi & Ibadapo-Obe, 2017; Kristanto & Kurniawati, 2023). In addition to financial and knowledge constraints, regulatory inconsistencies in halal certification present significant challenges for multinational hotel chains. The lack of uniformity in certification criteria, including differences in slaughtering methods, permissible food additives, and auditing standards,

complicates procurement operations (Hassan & Sengupta, 2019). Some countries have centralized halal certification authorities, providing clearer compliance pathways, while others feature overlapping certifying bodies, leading to uncertainty and inefficiencies in maintaining halal integrity across supply chains (Salleh et al., 2014).

To summarize, limited supplier availability, knowledge gaps, financial constraints, and regulatory inconsistencies are the key challenges hindering halal procurement's effective implementation in the hospitality industry. These challenges are more pronounced in non-Muslim-majority regions, where the supply chain infrastructure is underdeveloped. However, evidence suggests that hotels investing in training programs, supply chain optimization, and financial support initiatives experience higher compliance rates and operational efficiency. Addressing these barriers through policy reforms, industry collaboration, and strategic investments is essential to improving the sustainability and accessibility of halal procurement in hospitality.

Table 1. Thematic Analysis of Halal Procurement Challenges in the Hospitality Industry

Theme	Challenges Identified	Sources
Limited Supplier Availability	The scarcity of certified halal suppliers disrupts supply chains, making it difficult for hotels to source authentic halal products, especially in non-Muslim-majority regions. High certification costs deter suppliers from seeking accreditation, reducing procurement options.	(Ali et al., 2021; Zailani et al., 2017)
Knowledge Gaps	Hotel management and procurement teams lack awareness of halal certification processes, leading to unintentional non-compliance and inefficiencies in supply chain management. SMEs particularly struggle with maintaining halal integrity due to limited training.	(Ikawati et al., 2024; Islam et al., 2023; Wahyuni & Pudjowati, 2024)
Financial Constraints	The high costs of halal certification, supplier verification, and operational modifications (e.g., dedicated halal storage and kitchen areas) create financial burdens, particularly for small and mid-sized hotels. Many SMEs struggle to justify investment in compliance.	(Algaisya & Rosadhillah, 2024; Annabi & Ibdapoo, 2017; Tieman et al., 2012)
Regulatory Inconsistencies	Differences in halal certification criteria (e.g., slaughtering methods, permissible food additives, and auditing standards) complicate procurement for multinational hotel chains. Some regions have centralized halal authorities, while others have multiple overlapping certifying bodies, making compliance difficult.	(Hassan & Sengupta, 2019; Robbani, 2021; Salleh et al., 2014)
Lack of Industry Training & Compliance Audits	Many hospitality establishments do not prioritize halal training for staff, leading to operational lapses. Hotels that invest in structured training and audits have higher compliance rates and consumer trust.	(Nawi et al., 2022; Rasyid et al., 2023; Shari et al., 2021)

Source: Research data, 2025

The findings highlight that halal procurement challenges in the hospitality industry stem from structural and regulatory factors. Limited supplier availability, financial constraints, and regulatory discrepancies hinder smooth procurement operations, particularly in non-Muslim-majority regions. The lack of industry-wide training programs and compliance monitoring further contributes to the inconsistent adoption of halal standards. Addressing these challenges will require strategic interventions, such as expanding supplier networks, increasing financial incentives, and harmonizing halal certification standards to create a more efficient and accessible halal procurement system for the hospitality sector.

Future Strategies

Enhancing halal procurement practices in the hospitality industry requires strategic interventions to expand supplier networks, build industry capacity, strengthen financial support, and standardize certification frameworks. Addressing these challenges is essential to ensuring operational efficiency, regulatory compliance, and consumer trust. Key strategies include fostering international supplier partnerships, improving staff training programs, providing financial incentives for certification, and leveraging technology for transparency in halal supply chains. A thematic analysis of these strategies, derived from relevant studies, is presented in Table 2 below.

Table 2. Thematic Analysis of Future Strategies for Halal Procurement in Hospitality

Theme	Proposed Strategies	Sources
Expanding Supplier Networks	Establish international supplier partnerships to improve halal product availability; offer government incentives to subsidize certification costs for small and mid-sized suppliers.	Siska et al. (2020); Islam et al. (2023); Rafiuddin et al. (2024)
Capacity Building & Training	Implement mandatory halal compliance training for hospitality staff; integrate halal procurement standards into hospitality management curricula; develop digital certification tools for streamlined compliance.	Kiosia et al. (2024); Hanlon et al. (2019); O'Connell et al. (2022)
Financial Support Mechanisms	Provide subsidies, tax incentives, and financial aid programs to reduce halal certification costs for small hotels; support SME participation in the halal market through targeted assistance.	Giyanti & Indriastiningsih (2019); Oemar et al. (2022); Amalia et al. (2023)
Global Standardization & Technology	Establish mutual recognition agreements among halal certification bodies; adopt blockchain-based halal tracking systems to ensure supply chain transparency and prevent fraud.	Robbani (2021); Munawar & Mugiono (2024); Giyanti & Indriastiningsih (2019)

Source: Research data, 2025

One of the most effective strategies for improving halal procurement is expanding supplier networks through international partnerships and government-supported certification initiatives. Establishing supplier collaborations across diverse halal markets allows hotels to access a broader range of certified products, reducing supply chain inconsistencies and increasing product reliability (Siska et al., 2020). Additionally, government incentives—subsidized certification programs and technical support for small and mid-sized suppliers—can lower entry barriers for businesses seeking halal certification. Research highlights that targeted financial and operational assistance increases SME participation in the halal market, thus ensuring a more robust supply chain and reducing reliance on a limited pool of certified suppliers (Islam et al., 2023; Rafiuddin et al., 2024).

Strengthening industry knowledge and compliance awareness is crucial for maintaining halal integrity in hospitality procurement. Mandatory halal compliance training programs for hotel management and procurement teams can significantly reduce non-compliance risks and ensure consistent adherence to certification standards (Kiosia et al., 2024). Moreover, integrating halal procurement courses into hospitality management curricula can produce a new generation of well-versed professionals in Shariah-compliant supply chain management (Hanlon et al., 2019). Incorporating digital certification tools further streamlines compliance processes by reducing administrative burdens and enhancing supply chain transparency. These technologies allow suppliers and hospitality operators to track certification statuses in real-time, mitigating risks associated with fraudulent certification claims (O'Connell et al., 2022).

The high cost of halal certification remains a major barrier for small and mid-sized hotels, preventing them from fully embracing Shariah-compliant procurement practices. Implementing financial assistance initiatives, such as tax incentives, certification subsidies, and low-interest government loans, can help alleviate the financial burden of halal compliance (Giyanti & Indriastiningsih, 2019b; Oemar et al., 2022). These measures would increase certification uptake and enhance market competitiveness for smaller businesses. Research indicates that SMEs receiving direct financial support for halal certification experience higher market participation rates and improved business sustainability (Amalia et al., 2023). Additionally, governments could introduce grant programs for supplier training to ensure businesses understand the long-term economic benefits of halal certification beyond just compliance.

Standardizing halal certification frameworks across regions facilitates smoother cross-border procurement and ensures regulatory consistency. Mutual recognition agreements (MRAs) among halal certification bodies would allow multinational hotel chains to streamline their procurement processes, avoiding costly regional regulatory discrepancies (Robbani, 2021). Adopting blockchain technology in halal supply chains offers another innovative solution to improve transparency and traceability. Blockchain-based certification ensures real-time

verification of halal compliance, preventing fraud, contamination risks, and regulatory gaps (Munawar & Mugiono, 2024). Research highlights that implementing secure digital tracking systems can greatly enhance consumer confidence in halal hospitality services, ensuring uninterrupted compliance across diverse markets (Giyanti & Indriastiningsih, 2019a).

Discussion

Discussions

The findings of this study highlight the complexities of halal procurement in the hospitality industry, particularly the challenges related to supplier availability, regulatory inconsistencies, financial constraints, and compliance awareness. One of the most pressing issues is the limited availability of certified halal suppliers, especially in non-Muslim-majority regions, where hotels struggle to maintain a consistent inventory of halal-compliant products. The scarcity of accredited suppliers, coupled with high certification costs, creates supply chain disruptions that affect the ability of hotels to offer halal-certified services reliably. This issue is further exacerbated by logistical inefficiencies in halal distribution networks, making it difficult for hotels to procure authentic ingredients and amenities. Expanding supplier networks through international partnerships and government-supported certification incentives is necessary to ensure a more sustainable halal supply chain.

Another significant challenge is the lack of awareness and training among hotel management and procurement teams, contributing to inconsistent adherence to halal certification standards. Many hospitality businesses do not have structured training programs that educate staff on halal procurement regulations, auditing procedures, and compliance monitoring, leading to unintentional lapses in maintaining halal integrity. This knowledge gap affects operational efficiency and consumer trust as Muslim travelers increasingly seek accommodations that adhere to halal standards. Implementing mandatory halal training programs for procurement teams and integrating halal certification education into hospitality management curricula can enhance industry-wide compliance and service quality. Using digital certification tools can further simplify the compliance process, allowing hotels to track supplier credentials more effectively and reduce risks associated with fraudulent certification claims.

Financial constraints present another major barrier, particularly for small and mid-sized hotels, which often lack the resources to invest in halal certification, supplier verification, and infrastructure modifications such as dedicated halal storage and kitchen facilities. While large hotel chains may be able to absorb these costs, smaller establishments face significant financial pressure, making it difficult for them to justify the additional expenses required to comply with halal procurement standards. Introducing financial assistance initiatives, including tax incentives, subsidies, and certification grants, would provide crucial support for smaller businesses, enabling them to participate more actively in the growing halal tourism market. Government-backed funding programs could also help suppliers obtain halal certification by offsetting the costs of compliance audits and regulatory approvals, ultimately strengthening the entire halal supply chain.

The lack of regulatory consistency in halal certification further complicates procurement efforts, particularly for multinational hotel chains operating across different regions. The absence of a standardized global halal certification framework forces hospitality businesses to navigate varying halal criteria, auditing procedures, and food processing regulations, leading to inefficiencies and increased operational costs. The lack of uniformity in halal certification criteria, such as differences in slaughtering requirements and permissible food additives, creates additional challenges for hotels seeking to maintain a standardized halal procurement policy across multiple locations. Establishing mutual recognition agreements (MRAs) between halal certification bodies would help reduce regulatory inconsistencies and facilitate cross-border trade, allowing hotels to adopt a more uniform approach to halal procurement across their international operations.

These findings align with the conceptual framework presented in this study, which illustrates the driving factors, challenges, and solutions in halal procurement for the hospitality industry. At the framework's foundation is halal tourism ecosystem development, representing the broader environment in which halal

procurement operates. This ecosystem is shaped by halal regulations, consumer preferences, and sustainability considerations, which directly impact hospitality business procurement strategies. Despite these driving forces, the industry faces four key challenges: supplier constraints, lack of awareness and training, financial constraints, and inconsistencies in global halal regulations. These barriers, consistent with the empirical findings, hinder the seamless integration of halal procurement and create operational inefficiencies, particularly in regions with fragmented regulatory landscapes.

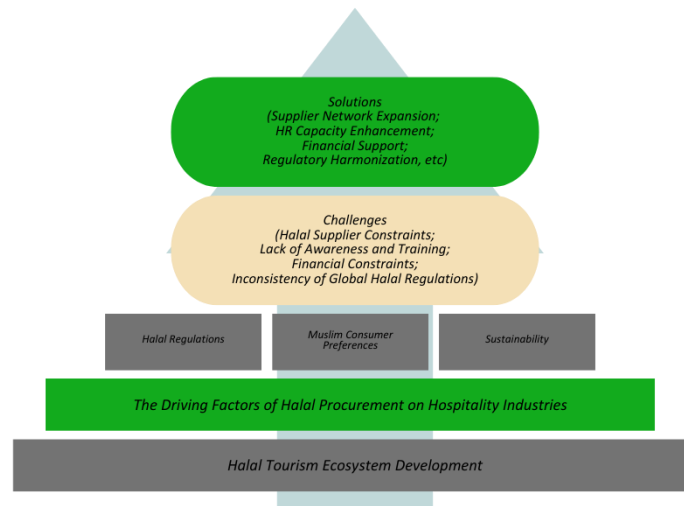


Figure 1. Proposed Conceptual Framework

Source: Research data, 2025

Strategic solutions are proposed at the top of the framework to address these challenges. Key focus areas include supplier network expansion, human resource (HR) capacity enhancement, financial support, and regulatory harmonization. Establishing partnerships with international halal suppliers and providing certification subsidies can alleviate supply chain disruptions, while capacity-building initiatives such as training programs and digital compliance tools can address knowledge gaps and improve certification adherence. Additionally, providing financial support mechanisms for small and mid-sized hotels will reduce economic barriers to compliance, ensuring that more hospitality businesses can participate in the halal tourism market. Finally, harmonizing global halal regulations through MRAs and blockchain-based certification tracking can significantly enhance regulatory consistency and supply chain transparency.

By synthesizing these elements, the conceptual framework provides a comprehensive model for understanding and addressing the complexities of halal procurement in the hospitality industry. It reinforces the idea that halal procurement is not merely a compliance issue but also a strategic business opportunity that can enhance market competitiveness, consumer trust, and long-term sustainability in the growing global halal tourism sector. The solutions outlined in the framework, if effectively implemented, have the potential to streamline halal procurement processes, reduce operational barriers, and foster an integrated, standardized halal hospitality ecosystem worldwide.

E. CONCLUSION

This study has examined the complexities of halal procurement in the hospitality industry, highlighting key challenges, current conditions, and strategic solutions necessary for improving supply chain efficiency, regulatory compliance, and industry-wide adoption of halal standards. The findings reveal that hotels face significant obstacles, particularly in non-Muslim-majority regions, where limited supplier availability, financial constraints, regulatory inconsistencies, and knowledge gaps hinder the seamless integration of halal

procurement practices. These barriers disrupt supply chains, increase operational costs, and reduce consumer confidence in halal-certified hospitality services.

To address these challenges, several strategic interventions are essential. Expanding supplier networks through international partnerships and government-supported certification incentives can mitigate supply chain disruptions, ensuring more reliable access to halal-certified products. Enhancing human resource capacity through mandatory training programs and academic integration of halal certification standards can significantly improve industry-wide compliance and service consistency. Implementing financial support mechanisms, including subsidies, tax incentives, and certification grants, will further reduce economic barriers, allowing small and mid-sized hotels to participate more effectively in the halal hospitality market. Additionally, harmonizing global halal certification standards through mutual recognition agreements (MRAs) will enhance supply chain transparency and regulatory consistency, making halal procurement more efficient, scalable, and globally applicable.

The conceptual framework presented in this study reinforces these findings by illustrating the driving factors, challenges, and solutions in halal procurement. The framework highlights how halal regulations, consumer preferences, and sustainability considerations shape halal procurement strategies while emphasizing the critical need for overcoming supply chain, financial, and regulatory constraints. The hospitality industry can develop a more structured, reliable, and globally competitive halal procurement system by implementing targeted solutions, such as supplier expansion, financial incentives, capacity-building initiatives, and regulatory harmonization.

In conclusion, halal procurement is not merely a compliance requirement but a strategic opportunity that enables hotels to tap into the growing global halal tourism market. Hotels, policymakers, and certification bodies can collaborate to create a more efficient and standardized halal procurement ecosystem by addressing the identified challenges and adopting the recommended strategies. Strengthening halal procurement practices will enhance consumer trust and operational efficiency and position the hospitality industry as a key player in expanding global halal tourism.

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