The Influencing Factors of Export Performance Amongst Halal Small and Medium-Sized Enterprises (SMEs) in Malaysia

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Abstract : Internationalization of halal small and medium-sized enterprises (SMEs) is necessary for SMEs to become more involved in regional trade and business cooperation. By internationalization, SMEs' profit can increase, and market expansion of SMEs is basic for rising economies of countries to contend all around in the halal industry globally. There are several modes of internationalization; exporting is one of the first steps for internationalization with less capital needed. The study examines the influential factors of export performance amongst halal SMEs in Malaysia. Specifically, this study examines the positive and significant relationships amongst human capital, managerial capability, Halal Assurance Management System (HAMS), digital transformation, government support, and networking capability on halal SMEs' export performance toward SMEs' competitive advantage. In addition, this study will examine innovation capabilities as a moderator in the relationship between independence variables and competitive advantage. Competitive advantage is the most compelling perspective that drives the export performance of halal SMEs in Malaysia. A quantitative method will be used: an online questionnaire survey distributed through emails and face-to-face toward selected halal-certificated SMEs registered in JAKIM, MATRADE website and SME Corp Malaysia website. Nevertheless, whether the halal SMEs practice global business, they will still be the potential respondents. The data were examined and obtained using the statistical software Smart PLS. The analysis used is reliability, correlation, and regression analysis to meet the research objectives. This study contributes significantly to the theory by integrating Resource Based View (RBV) theory, Technology-Organization-Environment (TOE) framework and Networking theory. In addition, this research extends the RBV by extending a variable, the Halal Assurance Management System. This study also examines a moderating role of innovation capabilities in the framework and competitive advantage as a mediator. This research aims to analyze the factors that will impact the internationalization of halal SMEs.

Keywords : internationalization, halal SMEs, competitive advantage, export performance

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