ISSN (print): 2549-1849 ISSN (online): 2549-3434

Available online at: https://jurnal.unimed.ac.id/2012/index.php/jcrs



Analysis of the Influence of Business Legality, Halal Labeling and Promotion on MSME Products in Kwala Serapuh Langkat Village

Erwansyah*¹, Eli Delvi Yanti², Teguh Wahyono³, Via Vio Ninda⁴
^{1,2,3,4}Management Study Program, Universitas Pembangunan Panca Budi, Indonesia

Correspondence Author: erwansyah@dosen.pancabudi.ac.id

Abstract. Micro, Small, and Medium Enterprises (MSMEs) have an important role in the local economy, including Kwala Serapuh Village in Langkat. Business legality, halal labeling, and promotion are key factors that can affect the success of MSME products. However, there have not been many studies that have examined the influence of this combination of factors on MSME products in Kwala Serapuh Village. This study aims to analyze the influence of business legality, halal labeling, and promotion on MSME products in Kwala Serapuh Village, Langkat. The sample in this study was 85 respondents. The analysis method used is multiple linear regression analysis. The results of the study show that partially Business Legality (X1) has a significant positive effect on the variable of MSME Products (Y). Halal labeling (X2) has a significant positive effect on the variable of MSME Products (Y). Promotion (X3) had no positive effect and was not significantly significant to the variable of MSME Products (Y). Simultaneously, Business Legality (X1), Halal Labeling (X2) and Promotion (X3) have a significant positive effect on the MSME Product variable (Y) in MSME actors in Kwala Serapuh Village, Lalat Regency.

Keywords: Business Legality, Halal Labeling, Promotion and Products, MSMEs

INTRODUCTION

International trade has become more globalized, affecting nearly every country. Competitiveness in the industrial sector has emerged as a result of the fast pace of active globalization in the economic development of developing nations. Businesses in Indonesia, particularly micro, small, and medium enterprises (MSMEs), have the capacity to have a big impact and even compete on a global scale. On a national level, MSMEs play a crucial and strategic role in driving economic growth. It has also been demonstrated that charis does not impact MSMEs. Only businesses were able to weather the 1997–1998 economic storm. According to Utami and Silaningsih (2018) The government places a high value on micro, small, and medium-sized enterprises (MSMEs) due to their widespread presence, the number of jobs they may create, and the importance of their work.

From the proliferation of internet-based businesses brought about by widespread internet access to the rise of micro, small, and medium-sized enterprises (MSMEs) as the engine that drives national economies through tapping into regional and local resources, the pace and variety of change in the business world is remarkable. The house industry is only one of many that is seeing growth. However, many home-based businesses fail before their time due to factors including incompetent leadership, shifting client preferences, and the challenge of developing effective marketing campaigns. Loyal

ISSN (print): 2549-1849 ISSN (online): 2549-3434

Available online at: https://jurnal.unimed.ac.id/2012/index.php/jcrs

customers will be the result of a well-thought-out plan. This marketing plan is critical because it lays the groundwork for a company to succeed in the market and reach its objectives (Diniaty and Agusrina, 2014).

When starting a business, it's important to pay close attention to detail so that customers will remember the great products and services offered by the company long after the initial impression has faded. Because price is usually the first thing people notice, brand image is an important consideration. Not only do brands play an important but crucial part, but so does halal labeling and company legitimacy, as the former provides a wealth of information designed to pique consumers' interests.

Products with a distinct identity will stand out more, superior customer service will encourage people to choose them over competitors, a positive perception of the brand will boost sales, and the store's physical location and the social media platforms used to promote them will decide how many people can see the ads. A business's legality, or what is more commonly referred to as business licensing, is a matter of identification. The mere presence of this permit serves as a public endorsement of the business, reflecting its identity. A business license is a legal document that all businesses are required to have in order to conduct business (Purnawan & Abdillah, 2020).

Businesses are expected to pay greater attention to matters of legality. When a company is legitimate, it shows that their products are of high quality. Brand image, meantime, can be leveraged to boost sales. Legality in business exists so that producers can communicate with prospective customers and share information with them. The purpose of issuing the company's legal documents is to ensure that all intended messages are transmitted accurately and to pique the interest of the target audience in the manufacturer's products. At every level of government development planning, the role of MSMEs is a priority. Consequently, in order for MSME products to consistently satisfy consumers, they must possess excellent qualities and traits. Muslim majority Indonesians have developed a unique pattern of food consumption that mandates halal for everyone. In order for the Muslim community to have faith in a product, MSME actors are able to take the halal factor into account thanks to this rule. Marketing companies make good advantage of this opportunity by labeling sharia-compliant products as halal.

In order to indicate that a product is halal, halal labeling may include halal lettering or statements on the package or product itself (Rangkuti, 2015). Any company that processes food or drinks, or sells food in general, must adhere to a set of regulations known as halal labeling. The promotion of both domestic and international food goods relies on the availability of high-quality, halal food and drink. Furthermore, product quality is an additional consideration for consumers when making purchases. The degree to which the output can fulfill the prerequisites of customer wants or judge how well those traits and characteristics meet its needs is determined by product quality, which is defined as a mix of traits and characteristics (Tjiptono, 2016) in (Manese, 2016). Customers typically purchase high-quality goods in order to fulfill their wants and requirements, therefore it's clear that product quality is crucial. If marketers focus on quality, even when bolstered by advertising and acceptable costs, consumers will not hesitate to buy a product (Kotler & Armstrong, 2014) in (Nurdiansyah, 2017).

Two competing aspects of Islamic law, sharia and halal, are diametrically opposed. Things that are okay to do are called halal, whereas things that are forbidden are called haram. As much thayyib (excellent and nutritious) food and drink as possible, and only halal food and drink, is required of all Muslims. Quite the opposite, it is forbidden for us to partake in haram foods and beverages (Mayasari, 2007). All Muslims hold halal foods in the highest regard since they are blessed and beneficial to human health. To keep people on the straight and narrow, Muslims glorify halalness, which is also mentioned in the Qur'an and Hadith. Whatever is halal and good—whether it's food, drink, cosmetics, medicines, or anything else—must be consumed at all times, according to Islamic law (Ernawati, 2015).

In addition to following all applicable laws and halal certification requirements, effective marketing is crucial to any company's success. Without it, consumers would have no way of knowing about the goods and services on offer. Consequently, advertising is the most effective strategy for gaining and keeping customers. Educating consumers on the whole range of items supplied is a primary objective of the company's marketing efforts (Petri, 2020). Along with the emergence of wholly novel consumer lifestyles, tastes, priorities, and decision-making processes, the corporation was compelled to provide a novel approach to product marketing.

ISSN (print): 2549-1849 ISSN (online): 2549-3434

Available online at: https://jurnal.unimed.ac.id/2012/index.php/jcrs

Tourists can visit Kwala Serapuh Village in North Sumatra Province's Lalat Regency. Micro, small, and medium-sized enterprises (MSMEs) have a lot of scope in this town. As a result, the MSME products from Kwala Serapuh Village need to be more competitive. A possible approach would be to examine how legality, halal labeling, and marketing affect the MSME products created in Kwala Serapuh Village. "Analysis of the Influence of Business Legality, Halal Labeling and Promotion on MSME Products in Kwala Serapuh Langkat Village" is the research topic that the researcher is interested in examining given this backdrop.

THEORETICAL STUDIES

1. MSME Products

National Development covers all aspects of the nation's life organized by the government and the community. Society is the object and subject of development. Therefore, the government is obliged to protect, direct, guide and also provide benefits. Activities between the government and the community must complement each other in order to achieve national development (Hastuti & et. al, 2020). To achieve this goal, it is mandatory to carry out development in all fields with the emphasis resting on the economic sector in line with the quality of human resources and focusing on the aspects of equity, growth and stability. Economic growth that further improves people's welfare is through the increasing participation of Micro, Small and Medium Enterprises which are an integral part of the national business world (Hastuti & et. al, 2020).

2. Business Legality

Business legality is an official source of information where it contains information related to the business in order to make it easier for anyone who needs all kinds of data about the business such as identity and all those related to the business world and the establishment of the company, as well as its position (Purnawan & Abdillah, 2020). Business legality exists to provide a sense of security to consumers with the guarantee of safe and quality products and services. Business legality is proof that a business has been feasible or passed the aspects that make the product unsafe. Business legality is an added value for businesses because the existence of business legality makes consumers more confident in the products they buy and enjoy. In its application, there are various forms of business legality.

3. Definition of Halal

Halal is everything that can and can be consumed (food and drinks) or owned and used (goods used), be it halal from the substances that make up the food, halal the process (how to slaughter and cook), and halal how to get it (Ayodya and Koswara, 2010). Halal statements are a special attraction, especially for entrepreneurs in Indonesia where their target is definitely a community that is predominantly Muslim. The halal statement makes the Islamic community, especially those who travel, more confident and no longer worried about the products that can be consumed and those who are not. As a form of business or business, it would be good to pay attention to its halalness. A halal transaction can turn into haram if it does not meet the requirements described in the Qur'an and Al-Hadith.

4. Promotion

Promotion is the most important activity that plays an active role in introducing, informing and reminding the benefits of a product in order to encourage consumers to buy the promoted product. To hold a promotion, each company must be able to determine exactly which promotional tools to use in order to achieve success in sales. According to (Baruna Hadi Brata, Shilvana Husani, Hapzi Ali. Apr, 2017) Promotion is the most important activity that plays an active role in introducing, informing, and remembering the benefits of the product in order to encourage consumers to buy the promoted product. Meanwhile, according to (Buchory and Saladin) in (Diyatma 2017) promotion is one of the elements in the company's marketing mix that is used to inform, persuade, and remind about the company's products.

RESEARCH METHODOLOGY

ISSN (print): 2549-1849 ISSN (online): 2549-3434

Available online at: https://jurnal.unimed.ac.id/2012/index.php/jcrs

1. Research Approach

This research method is a quantitative research method using research data in the form of numbers and analysis using statistics. In the data collection using research instruments, data analysis is quantitative with the aim of testing the hypothesis that has been determined. In quantitative research, it is a survey if the problem is clear. This type of research is a descriptive research with a quantitative approach, which is research aimed at testing theories, building facts, showing relationships between variables, providing statistical descriptions, attracting and forecasting the results with the aim of finding out the influence between one variable and another (Sugiyono, 2018).

The sequence in the quantitative research process starts from building a hypothesis from a theory, collecting facts or data, using data to test the hypothesis and finally drawing conclusions from the results of data processing (Kurniawan, 2014).

2. Research Population and Sample

According to (Sugiyono, 2018) population, it can be interpreted as a generalization area consisting of objects and subjects that have certain qualities and characteristics that are determined by the researcher to be studied and then drawn conclusions. The population in this study is 85 MSME actors from the community of Kwala Serapuh Langkat village.

Meanwhile, the sample according (Sugiyono, 2018) states that the sample is part of the number and characteristics possessed by the population. In this study, the researcher chose a random sampling technique or random sampling/probability sampling. Where the techniques and samples that the researcher uses randomly, regardless of the sample on the basis of strata or social status in any aspect. According to (Sugiyono, 2018) Probability sampling is a sampling technique that provides an equal chance for each element (member) of the population to be selected as a member of the sample. In this study, the researcher determined a sample of 85 respondents.

1. Data Analysis Methods

a. Multiple Linear Regression Analysis

The data analysis technique used is multiple regression analysis to analyze the linear relationship between 2 (two) or more independent variables and 1 (one) dependent variable, namely the commitment variable, organizational culture and career development. The regression equation model in this study is as follows:

 $Y = \alpha + X1 + X2 + X2 + \varepsilon$

Information:

X1 = Business Legality

X2 = Halal Labeling

X3 = Promotion

Y = MSME products

 $\alpha = Constant$

 $\varepsilon = Error Term$

b. Classical Assumption Test

The classical assumption test aims to show certainty that the regression equation obtained has accuracy in estimation, meaning that it is unbiased and consistent (Sugiyono, 2018). According to (Sugiyono, 2019) the classical assumption test consisting of a normality test, a multicollinearity test and a heteroscedasticity test, if there is heteroscedasticity, then the variant is not constant so that it can cause a standard error, if there is multicollinearity, it will be difficult to isolate individual influences from the variables, so that the significance level of the regression coefficient becomes low. Therefore, classical assumption tests need to be performed.

c. Hypothesis Testing

This hypothesis test was carried out to determine the influence of independent variables on the bound variables, either the partial individual regression coefficient test or t-test, the regression coefficient together simultaneously or the F-test and the determination coefficient or R2.

ISSN (print): 2549-1849 ISSN (online): 2549-3434

Available online at: https://jurnal.unimed.ac.id/2012/index.php/jcrs

RESULTS AND DISCUSSION

1. Multiple Linear Regression Analysis

The results of the multiple linear regression analysis test in this study aim to measure how much influence of Business Legality (X1), Halal Labeling (X2) and Promotion (X3) on MSME Products (Y) on MSME actors in Kwala Serapuh Village, Langkat Regency can be explained as follows:

Table 1. Multiple Linear Regression Analysis Test Results **Coefficientsa**

		Unstandardize	ed Coefficients	Standardized Coefficients	t	Sig.	
Ty	/pe	В	Std. Error	Beta			
1	(Constant)	2.678	4.082		.656	.514	
	Business Legality	.282	.164	.229	1.721	.049	
	Halal Labeling	.439	.185	.316	2.368	.020	
	Promotion	.139	.173	.077	.802	.425	

a. Dependent Variable: MSME Products

Source: Data processed with SPSS v.25, 2024

Based on Table 1, the results of the multiple linear regression test, the results can be obtained as follows:

Y = 2.678 + 0.282X1 + 0.439X2 + 0.139X3 + e

It is known that the value of the constant is 2.678. This value can be interpreted if Business Legality, Halal Labeling and Promotion affect the dependent variable of MSME products, then the value of the dependent variable of job satisfaction is 2,678.

It is known that the regression coefficient value of the Business Legality variable is 0.282, which is a positive value. This means that when business legality increases by 1 unit, MSME products tend to increase by 0.282.

It is known that the regression coefficient value of the Halal Labeling variable is 0.439, which is a positive value. This means that when Halal Labeling increases by 1 unit, MSME Products tend to increase by 0.439.

It is known that the regression coefficient value of the Promotion variable is 0.139, which is a positive value. This means that when Promotion increases by 1 unit, MSME Products tend to increase by 0.139.

2. Classical Assumption Test

a. Normality Test

The results of the normality test in this study used the Kolmogorov-Smirnov (K-S) non-parametric test. Kolmogorov-Smirnov test (K-S) if the probability value is greater than 0.05, then the data is normally distributed, but if the probability value is less than 0.05, then the data is abnormally distributed. The results of the normality test can be seen, as follows:

Table 2. Normality Test Results **One-Sample Kolmogorov-Smirnov Test**

N Normal Parametersa,b Mean Std. Deviation Most Extreme Differences Absolute	ardized Predicted Value
Std. Deviation	85
	18.4235294
Most Extreme Differences Absolute	2.54104068
	.109
Positive	.079
Negative	109
Test Statistic	.109
Asymp. Sig. (2-tailed)	.014c

a. Test distribution is Normal.

ISSN (print): 2549-1849 ISSN (online): 2549-3434

Available online at: https://jurnal.unimed.ac.id/2012/index.php/jcrs

One-Sample Kolmogorov-Smirnov Test

Unstandardized Predicted Value

b. Calculated from data.

c. Lilliefors Significance Correction.

Source: Data processed with SPSS v.25, 2024

Based on Table 2, it can be seen that the statistical results of the Kolmogorov-Smirnov test of 0.109 are greater than 0.05, so it can be stated that all data are normally distributed. The next normality test is the normal *probability plot* and *histogram* which is a comparison of the actual cumulative distribution of data with the normal cumulative distribution. The test results can be seen as follows:

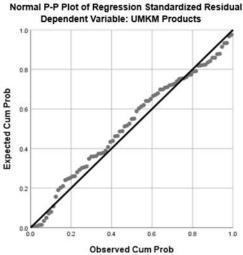
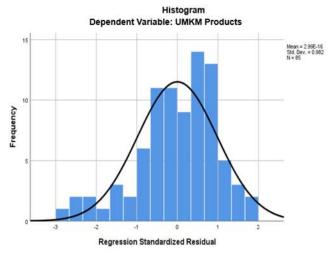


Figure 1. Normal P-Plot Chart Source: Data processed with SPSS v.25, 2024

Based on Figure 1, it shows that the distribution of data is around the diagonal line and is not scattered far from the diagonal line, so that the assumption of normality can be satisfied by the test and can be continued to the next stage.



ISSN (print): 2549-1849 ISSN (online): 2549-3434

Available online at: https://jurnal.unimed.ac.id/2012/index.php/jcrs

Figure 2. Histogram Chart Source: Data processed with SPSS v.25, 2024

Based on Figure 2, it shows that the histogram shape test depicts normal or near-normal distributed data because it shapes like a bell (*bell-shaped*), so that the assumption of normality in this study can be met.

b. Multicollinearity Test

The results of the multicollinearity test were carried out by looking at the tolerance and *Variance Inflation Factor* (VIF) values from the analysis results. If the tolerance value > 0.10 and the VIF value < 10, it is concluded that there is no multicollinearity problem and vice versa. The results of the multicollinearity test can be shown in the Table, as follows:

Table 3. Multicollinearity Test Results **Coefficientsa**

Collinearity Statistics

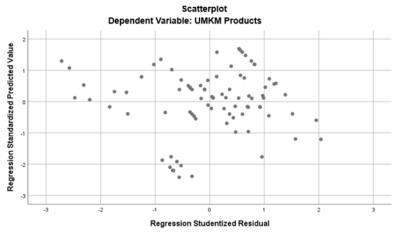
Type		Tolerance	VIF
1	Business Legality	.516	1.939
	Halal Labeling	.515	1.941
	Promotion	.998	1.002

a. Dependent Variable: MSME Products Source: Data processed with SPSS v.25, 2024

Based on Table 3, it can be seen that the results of the multicollinearity test show that all independent variables do not have a *tolerance value* of more than 0.10 which means that there is no correlation between independent variables with a value of more than 95%, while the *Variance Inflation Factor* (VIF) value also shows the same thing, namely no independent variable has a VIF value of more than 10. It can be concluded that the regression model used in this study and multicollinearity occurs.

c. Heteroscedasticity Test

The results of the heteroscedasticity test aim to test whether there is a variance inequality from residual or observation to other observations in the regression model. Heteroscedasticity can be determined by conducting the results of graph analysis, namely scatterplot graphs, the points formed must be spread randomly, scattered both above and below the number 0 on the Y axis. The results of the heteroscedasticity test using a scatterplot graph are shown in the following figure:



ISSN (print): 2549-1849 ISSN (online): 2549-3434

Available online at: https://jurnal.unimed.ac.id/2012/index.php/jcrs

Figure 3. Scatterplot Charts

Source: Data processed with SPSS v.25, 2024

Based on the results in Figure 3, the scatterplot graph shows that the dots are spread randomly, and are scattered both above and below the number 0 (zero) on the Y axis.

3. Hypothesis Test

a. Test t (Partially)

Test t was used to determine whether the variables of Business Legality (X1), Halal Labeling (X2) and Promotion (X3) for MSME Products (Y) in MSME actors in Kwala Serapuh Village, Langkat Regency. The results of the t test can be seen in the Table, as follows:

Table 4. Test Results t **Coefficientsa**

		Unstandardize	d Coefficients	Standardized Coefficients	t	Sig.
Ty	pe	В	Std. Error	Beta		
1	(Constant)	2.678	4.082		.656	.514
	Business Legality	.282	.164	.229	1.721	.049
	Halal Labeling	.439	.185	.316	2.368	.020
	Promotion	.139	.173	.077	.802	.425

a. Dependent Variable: MSME Products Source: Data processed with SPSS v.25, 2024

Based on Table 4, it can be known that the results of the calculation value of the Business Legality variable (X1) > from the table are 1,721 > 1,662 and the sig < alpha is 0.049 < 0.05, meaning that the Business Legality variable (X1) has a significant positive effect on the MSME Product variable (Y) in MSME actors in Kwala Serapuh Village, Langkat Regency.

The calculated value of the Halal Labeling variable (X2) > from the table is 2,368 > 1,662 and the sig <alpha is 0.020 < 0.05, meaning that the Halal Labeling variable (X2) has a significant positive effect on the MSME Product variable (Y) in MSME actors in Kwala Serapuh Village, Lalat Regency.

The tount value of the Promotion variable (X3) > from the table is 0.802 < 1.662 and the sig <alpha is 0.425 > 0.05, meaning that the Promotion variable (X3) does not have a positive effect and is not significant to the MSME Product variable (Y) in MSME actors in Kwala Serapuh Village, Langkat Regency.

b. Test F (Simultaneously)

Test F is used to test whether the variables of Business Legality (X1), Halal Labeling (X2) and Promotion (X3) together affect MSME Products (Y) in MSME actors in Kwala Serapuh Village, Langkat Regency. The results of the F test in this study can be seen as follows:

Table 5. Test Result F

AN	OV.	Aa
----	-----	----

Type		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	542.379	3	180.793	9.361	.000b

ISSN (print): 2549-1849 ISSN (online): 2549-3434

Available online at: https://jurnal.unimed.ac.id/2012/index.php/jcrs

Residual	1564.374	81	19.313	
Total	2106.753	84		

a. Dependent Variable: MSME Products

b. Predictors: (Constant), Promotion, Business Legality, Halal Labeling

Source: Data processed with SPSS v.25, 2024

Based on Table 5, it can be seen that the value of Fcal > from the Ftable is 9,361 > 2.33, while the sig. < from alpha is 0.000 < 0.05, this shows that simultaneously the variables of Business Legality (X1), Halal Labeling (X2) and Promotion (X3) have a significant positive effect on the MSME Product variable (Y) in MSME actors in Kwala Serapuh Village, Lalat Regency.

c. Determination Coefficient Test Results (R2)

The results of the determination coefficient (R2) test in this study can be seen in the table as, as follows:

Table 6. Determination Coefficient (R2) Results

Model Summaryb

Type	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.507a	.257	.230	4.39469

a. Predictors: (Constant), Promotion, Business Legality, Halal Labeling

b. Dependent Variable: MSME Products

Source: Data processed with SPSS v.25, 2024

Based on Table 6, the R2 (*R Square*) number is obtained at the determination coefficient of 0.257 or 25.7%. This shows that Business Legality (X1), Halal Labeling (X2) and Promotion (X3) for MSME Products (Y) in MSME actors in Kwala Serapuh Village, Langkat Regency is 25.7% while the remaining 74.3% is explained or influenced by other variables that are not studied in this study.

DISCUSSION

1. Business Legality (X1) for MSME Products (Y)

The results of the study can be known from the tcount value of the Business Legality variable (X1) > from the table which is 1,721 > 1,662 and the sig < alpha which is 0.049 < 0.05, meaning that the Business Legality variable (X1) has a significant positive effect on the MSME Product variable (Y) in MSME actors in Kwala Serapuh Village, Lalat Regency. This means that MSME actors who have business legality, such as a Trade Business License (SIUP) or a Trade Business Registration Certificate (TDUP), tend to have more quality and diverse MSME products. Business legality provides several benefits for MSME actors. Consumers are more confident in buying products from MSMEs that have business legality because MSME actors are confident that the product is safe and guaranteed in quality. MSME actors with business legality find it easier to get access to formal markets, such as supermarkets or malls. MSME actors with business legality have the right to receive assistance and guidance from the government to improve the quality of their products and businesses.

2. Halal Labeling (X2) for MSME Products (Y)

The results of the study can be found from the tcount value of the Halal Labeling variable (X2) > from the table, which is 2,368 > 1,662 and the sig < alpha, which is 0.020 < 0.05, meaning that the Halal Labeling variable (X2) has a significant positive effect on the MSME Product variable (Y) in

ISSN (print): 2549-1849 ISSN (online): 2549-3434

Available online at: https://jurnal.unimed.ac.id/2012/index.php/jcrs

MSME actors in Kwala Serapuh Village, Langkat Regency. This means that consumers prefer to buy MSME products that have a halal label. Halal labeling provides several benefits for MSME actors. The halal label allows MSME actors to reach a larger Muslim consumer market. Muslim consumers are more confident in buying products from MSMEs that have halal labels because MSME actors are confident that the products are halal and in accordance with Islamic law. Halal labels can increase the competitiveness of MSME products in the global market.

3. Promotion (X3) for MSME Products (Y)

The results of the study can be known from the tcount value of the Promotion variable (X3) > from the table, which is 0.802 < 1.662 and sig < alpha, which is 0.425 > 0.05, meaning that the Promotion variable (X3) has no positive effect and is not significantly significant on the MSME Product variable (Y) in MSME actors in Kwala Serapuh Village, Langkat Regency. This means that MSME actors who carry out promotions do not always have more quality and diverse MSME products. There are several possibilities why promotion has no effect on MSME products. MSME actors may not use the right promotional strategies to reach the target market. Even though MSME actors are doing promotions, consumers will still not buy their products if the product quality is inadequate. The MSME market is very competitive, so MSME actors need to carry out more aggressive and innovative promotions to attract consumer attention.

4. Business Legality (X1), Halal Labeling (X2) and Promotion (X3) for MSME Products (Y)

The results of the study, it can be seen that the value of Fcal > from the Ftabel is 9.361 > 2.33, while the sig. < from alpha is 0.000 < 0.05, this shows that simultaneously the variables of Business Legality (X1), Halal Labeling (X2) and Promotion (X3) have a significant positive effect on the variable of MSME Products (Y) in MSME actors in Kwala Serapuh Village, Langkat Regency. MSME actors who have business legality, such as a Trade Business License (SIUP) or a Trade Business Registration Certificate (TDUP), tend to have more quality and diverse MSME products. This is because business legality provides several advantages, such as building consumer trust, facilitating access to the market, and obtaining assistance and guidance from the government. Consumers prefer to buy MSME products that have halal labels. Halal labeling provides several benefits for MSME actors, such as expanding market share, increasing consumer confidence, and increasing competitiveness. Although this study shows that promotion does not have a positive and significant influence on MSME products directly, promotion is still an important factor to reach consumers. MSME actors need to promote with the right and effective strategy to attract the attention of consumers.

CONCLUSION

- 1. For MSMEs, obtain an official business license (SIUP/TDUP) to increase consumer confidence, access the formal market, and benefit from government support. Strive for Halal certification to expand market reach, build consumer trust, and gain competitiveness in the global market.
- 2. For the Government, simplify and streamline the process for MSMEs to obtain official business licenses, reduce administrative burdens, and encourage formalization. Provide clear guidance and support throughout the application process. Increase awareness about the benefits of Halal certification among MSMEs and provide incentives or financial subsidies to encourage its implementation. Working with Halal certification bodies to streamline the application process.
- 3. For Organizations and Communities, organize outreach programs and workshops to educate MSMEs on the importance of official business licenses and Halal certification. Provide clear information about the benefits and application procedures. Establish a mentorship program that connects experienced entrepreneurs with aspiring MSME owners. Provide counseling services to address business challenges and offer guidance on growth strategies.

BIBLIOGRAPHY

Agustin, R. R., & Andika, R. (2023). Marketing Communications For Umkm In Klambir 5 Kebon, Hamparan Perak, Deli Serdang, North Sumatera. *Jurnal Scientia*, 12(04), 88-93.

ISSN (print): 2549-1849 ISSN (online): 2549-3434

Available online at: https://jurnal.unimed.ac.id/2012/index.php/jcrs

- Aspan, H., Sipayung, I. M., Muharrami, A. P., & Ritonga, H. M. (2017). The Effect of Halal Label, Halal Awarness, Product Price, and Brand Image to the Purchasing Decision on Cosmetic Products (Case Study on Consumers of Sari Ayu Martha Tilaar in Binjai City). *International Journal of Global Sustainability*, *I*(1), 55-66.
- Daulay, M. T., & Sanny, A. (2019). Analysis of Structural Equation Modeling Towards Productivity and Welfare of Farmer's Household in Sub-District Selesai of Langkat Regency. *International Journal of Research and Review*, 6(11), 117-123.
- Ghozali, I. (2018). *Aplikasi Analisis Multivariate dengan Program IBM SPSS 25*. Badan Penerbit Universitas Diponegoro.
- Hastuti, P., & et. al. (2020). Kewirausahaan dan UMKM. Yayasan Kita Menulis.
- Indrawan, M. I., Ritonga, H. M., & Sari, D. S. (2022). Entrepreneurship Education and Digital Marketing for Improving the Welfare of the Community–A Case Study on Gada Village, Gunungsitoli Regency, Nias. *International Journal Of Humanities Education and Social Sciences*, 1(5).
- Kotler, P., & Armstrong, G. (2014). Principle of Marketing, 15th Edition. Pearson Pretice Hall.
- Kotler, P., & Armstrong, G. (2018). Principles of Marketing. Pearson.
- Kurniawan, A. (2014). Metode Riset untuk Ekonomi dan Bisnis: Teori, Konsep dan Praktik Penelitian Bisnis (Dilengkapi Perhitungan Pengolahan Data dengan IBM SPSS 22.0). Alfabeta.
- Purnawan, A., & Abdillah, S. U. (2020). Hukum Dagang dan Aspek Legalitas Usaha. Lindan Bestari.
- Rangkuti, F. (2015). Analisis SWOT: Teknik Membedah Kasus Bisnis. PT Gramedia.
- Sugiyono. (2018). Metode Penelitian Pendidikan (Pendekatan Kuantitaif, Kualitatif, dan R&D). CV Alfabeta.
- Sugiyono. (2019). Metode Penelitian Kuantitatif, Kualitatif, dan R&D. CV Alfabeta.
- Sari, M. M., Ardian, N., & Erwansyah, E. (2021). Pengaruh Covid 19 terhadap Perekonomian Masyarakat di Desa Lantasan Lama Kecamatan Petumbak Kabupaten Deli Serdang Sumatera Utara. *Jurnal Manajemen Tools*, *13*.
- Tjiptono, F. (2012). Strategi Pemasaran. Edisi 3. Andi.
- Tjiptono, F. (2016). Service, Quality & Satisfaction. Andi.
- Undang-Undang Nomor 20 Tahun 2008. (n.d.). Tentang Usaha Mikro Kecil dan Menengah.
- Wibowo, S. dkk. (2009). Petunjuk Mendirikan Usaha Kecil. Cetakan ke14. PT Penebar Swadaya.
- Wilantara, F. R., & Indrawan, R. (2016). Strategi Dan Kebijakan Pengembangan UMKM (p. 20).