Exploring internationalization of Halal Taiwan: Analysis of Taiwan’s halal food products in Malaysia

Nur Sa’adah Muhamad¹, Khairul Akmaliah Adham², Mohd Fuaad Said³, & Nadiah Mahmad Nasir²

¹Centre of Value Creation and Well-being Studies, Faculty of Economics and Management, Universiti Kebangsaan Malaysia  
²Graduate School of Muamalat, Faculty of Economics and Muamalat, Universiti Sains Islam Malaysia  
³School of Business and Economics, Universiti Putra Malaysia

Correspondence: Nur Sa’adah Muhamad (email: nurs@ukm.edu.my)

Received: 01 March 2020; Accepted: 15 May 2020; Published: 30 May 2020

Abstract

Taiwan is one of the emerging players in the global halal industry. Since the launching of its New Southbound Policy in late 2016, the country has been aiming to move rapidly into the lucrative global halal markets through its brand of Halal Taiwan. However, thus far, the current state of its halal campaign in the international market is not yet identified. This study intends to fulfill this gap by exploring the internationalization of Taiwanese halal-certified food products that are exported to Malaysia. This qualitative study observed the availability of made in Taiwan halal food products at thirteen supermarkets and convenient stores in Kuala Lumpur and greater Klang Valley in Malaysia, as well as on two major online shopping platforms. The study found that the internationalization strategy of Taiwanese halal food products in Malaysia is characterized by the offering of product variety mainly for impulse purchase with high affordability. However, in terms of number and range of products, as well as the establishment of brand identity, it is found that Taiwan is lacking behind South Korea and Japan. The latter two are Muslim-minority countries that fast becoming emerging players in the global halal market. Implications for policy and managerial practices are also discussed.

Keywords: internationalization, Taiwan, Malaysia, halal, food product, observation, supermarkets, convenient stores.

Introduction

The global halal market has been rapidly growing in the past ten years with no sign of it slowing down, owing to the increase in the number of Muslim populations and their purchasing powers. By 2019, the global halal market value is estimated at USD2.2 trillion, spanning from food and lifestyle to pharmaceutical segments. This value does not include the segment of Islamic finance, of which assets are valued at an additional USD2.5 trillion (DCIE & DinarStandard, 2019). For halal food market alone, this segment is expected to be valued
at USD3 trillion by 2024 (Research & Markets, 2019). The potential growth of the global halal market does not only attract the interest of Muslim-majority countries, but also many developed and industrialized Muslim-minority nations, such as Taiwan, Japan, and South Korea. These countries have intensively trying to strengthen their positions in this market, particularly within hospitality and tourism segments (Alhamdan, 2017; Kim and Song, 2017; Shazlinda & Shutto, 2014), as well as halal product exports (Adlin & Alina, 2020; MOEA, 2018).

Extant studies related to halal industry have been focusing mainly on issues of halal products or services, logistics, and supply chain management at single-country level (recent studies include Ab Rashid & Bojei, 2019; Jaiyeoba et al., 2019; Nawawi et al., 2019; Nur Sa’adah et al., 2019), but less on cross-border business issues. This gap must be fulfilled given the importance of halal export markets, particularly for Muslim-minority countries that are embarking on the journey to become players in the halal industry. Export markets become the focused growth areas for those countries because of the small Muslim population in their respective countries. Hence, the need to understand halal value chain, beyond that of the domestic markets, is extremely important.

To fulfill this gap, this study aims to investigate the internationalization of Halal Taiwan; particularly, the internationalization of halal food products manufactured in Taiwan and exported to Malaysia. In this study, we define internationalization of halal products as the process of marketing and selling of products with halal logo in a targeted export market. According to Bateman and Snell (2019), there are various modes of internationalization; for this study, we focus only on exporting. Halal Taiwan is a campaign by the Government of Taiwan under its New Southbound Policy that has been launched in late 2016. One of the priority agenda under this policy is to penetrate the global halal market through exporting of homegrown halal products (MOEA 2017; 2018). We focused only on Malaysian market as the context of study as it has been explicitly identified as one of the main target export markets of halal products from Taiwan (MOEA, 2018). Not only the country is made up of 65% Muslims, it also receives significant numbers of Muslim tourists, which made Malaysia a lucrative market for halal products and consumption.

The study selected product availability criteria, namely the availability of Taiwanese products with halal logo in Malaysian market to indicate the current state of the internationalization of Halal Taiwan brand. The perspective of product availability and the principles of marketing mix, also known as the 4Ps (Product, Price, Place and Promotion) were utilized as the scaffolding conceptual framework of the study (see Figure 1). This framing served as the basis for the formulation of the following research questions:

1) What are the categories of halal food products from Taiwan that are available in Malaysia?
2) Where are they primarily available in Malaysia?
3) Which shelves, sections or categories are they available within supermarkets, convenient stores and online stores?
4) What are the categories of prices of the products?
5) How are these products being promoted in the supermarkets or convenient stores or online stores?

The conceptual framework also guided the development of the study’s observation protocol, as well as guided the data collection process and the analysis for this study.
Literature review and conceptual framework

The 4Ps of marketing mix

Marketing mix is one of the core concepts in marketing management. The term ‘marketing mix’ was first coined by Borden in the 1960s to denote the myriad of elements that are relevant in the process of bringing a product or service into the market. According to Borden (1964, p. 7), the term is inspired from a 1948’s article by Professor James Culliton who was quoted to suggest that a business manager should act as a “mixer of ingredients, who sometimes follows a recipe prepared by others, sometimes prepares his own recipe as he goes along, sometimes adapts a recipe to the ingredients immediately available, and sometimes experiments with or invents ingredients no one else has tried”. The development of marketing mix as an important analysis tool of marketing campaigns can be further attributed to McCarthy (1964) who had refined and systematically defined the marketing mix into four elements known as 4Ps, namely product, place, price and promotion.

Since then, many scholars had further reviewed and revisited the idea (e.g., Abdullah, 2017; Akgun et al., 2017; Anderson & Billou, 2007; Rafiq & Ahmed, 1995; Goi, 2009). For example, Lauterborn (1990) proposed the 4Ps to be replaced with 4Cs instead, which presents the elements of marketing mix to be buyer or customer-centric rather than seller-centric. Nevertheless, the gist of the definition is the same: Lauterborn’s 4Cs are made up of customer needs and wants (which are equivalent to product), cost (price), convenience (place), and communication (place). Another influential framework that is a modification of the traditional 4Ps is Booms and Bitner’s 7Ps model – it adds three other Ps namely participants, physical evidence and process. The 7Ps model is originally meant to be an extension of 4Ps that caters specifically for services marketing; however, Rafiq and Ahmed (1995) proposed that this extended framework is a better alternative to the traditional 4Ps and applicable as a generic model for consumer goods and products.

Despite the criticisms of the 4Ps framework, it remains the main idea of the marketing mix and the most widely accepted conceptualization in terms of its practicality and applicability (Constantinides, 2009; Goi, 2009; Kotler, 2013). This view is strongly advocated by Philip Kotler, a renowned ‘guru’ of marketing, who can be credited for popularizing the 4Ps of the marketing mix. In an interview, Kotler maintained that the 4Ps model is superior compared to other alternatives and remains relevant despite the changes and evolution of marketing theory and thought throughout the years (Neelima, 2013).

Halal product internationalization and product availability

The process of internationalization of halal products is defined in this study as the process of exporting of halal-certified products to the targeted foreign markets, which involves a certain set of procedures. In the case of Malaysia, the procedures for importing halal goods, including food products, are stipulated by Trade Descriptions (Certification and Marking of Halal) Order 2011, which is a regulation made under the Trade Description Act 2011. By virtue of this act, the Department of Islamic Development of Malaysia (abbreviated as JAKIM) becomes the sole certifier of halal products and services in Malaysia. Paragraphs 5(1) and (2) of the said order detail out the procedures for halal product import: First, the imported goods that are to be marketed as halal products must be certified by a foreign body that is deemed competent and approved by JAKIM. For this purpose, the foreign certification body must obtain the status of certified body recognized by JAKIM. Second, once the products are certified as halal, the company needs to appoint an importer in Malaysia to manage the logistic-related issues of the products that are to be marketed. Finally, the
manufacturer or importer of the products must clearly put a symbol on the products, usually in the form of a halal logo, indicating their halal status and the body that confer the status. The validation or conferment period of foreign certified body status that is granted by JAKIM is two years. As of February 2020, only one agency from Taiwan, namely Taiwan Halal Integrity and Development Association (THIDA) remains in the list of recognized foreign certified body (JAKIM, 2020).

To date, studies on halal industry usually focus on specific country’s halal products and services but ignore issues related to halal product internationalization and export (Khairul Akmaliah et al., 2020). This gap must be fulfilled as cross-border halal export markets are indispensable, especially for Muslim-minority countries. Due to limited size of Muslim population who consumes halal products or services domestically, export markets are naturally the avenues for them to grow their halal industry and to strengthen their position as players of halal industry globally. In order to do this, these countries need to understand the halal value chain more comprehensively, beyond that of the domestic markets. Failure to address this knowledge gap could result in a lack of understanding of the downstream markets of the halal products.

Study’s conceptual framework

Figure 1 presents the conceptual framework of this study, which we utilized to guide data collection and analysis process. The study’s conceptual framework is built upon the perspective of product availability and the 4P framework of the marketing mix. The 4P framework is relevant in describing the internationalization of Taiwanese halal products because the framework generally discusses the elements of effective marketing and selling of products to customers regardless of where the process occurs. Hence this framework is applicable either to a local or a foreign market. Moreover, the use of 4P as the framework is relevant because it allows researchers to collect data via observation method. Therefore, the framework is suitable for our study, as we could observe and record the availability and other dimensions of Taiwanese halal products, including where they were being sold, how much they cost, and how they were marketed to Malaysian customers.

Based on Kotler (2013)’s conceptualization of the 4Ps, in order to develop a successful brand image at national and global levels, firms should emphasize and focus on the four main factors that determine many strategic business decisions – product, which includes the dimension of product availability, price, place and promotion. Hence, internationalization of halal products indeed involves the elements of halal product itself, determination of price, product placement, and promotional activities. In this study, the availability of the imported halal products on the shelves or being sold as well as other representation of product dimensions and their positioning in terms of pricing, placement and promotions indicate the current state of the internationalization of halal products manufactured in Taiwan.

Figure 1. Study’s Conceptual Framework
Method

In achieving the objectives of the study, we adopted basic qualitative design as the research methodology, in which, observation was used as a method for data collection. This design follows the convention of Merriam (2009). The observation included physical observation and online observation. The physical observations were conducted at two groups of outlets: supermarkets and convenient stores. Whereas online observations were conducted on two selected e-commerce marketplaces. The basic qualitative design with observation as the method of data collection was used because it affords the researchers with opportunity to collect “real” data through visiting the venues, which means that the data can be recorded in real time during the data collection itself. This method simulates customer shopping experience and overcomes issues of perception and memory should the data is collected retrospectively through interviews with the customers or the retailers.

Observation protocol and procedure

The process of observation was guided by a semi-structured protocol that we derived from the study’s conceptual framework. The protocol specified certain items to be observed as well as open fields for additional observational items, which allows for the identification of new emerging items from the data as well as confirmation of the availability of specified items. The use of the observation protocol had enabled the observation activities to be done systematically and consistently for all supermarkets and convenient stores. The process included the following steps. First, the objective of the observation was developed. In this case, the objective of the observation was to investigate the availability by checking the products that are available and visibility of Taiwanese food products that carry halal logo as well as other dimensions. Second, based on the observation protocol, every food shelves at the stores were checked. Third, each product on the shelves was then checked to identify its country of origins. Along the process, we noted the sections and/or shelves that had been observed. Fourth, once the “Made in Taiwan” products were identified, the next step was to check the existence of halal logo on the packaging, which included checking of both the front and the back of the packaging. Fifth, we recorded relevant information related to the products that carry the halal logo, and the authority/body that granted the halal logo. The process was repeated until all food sections were successfully observed and checked. We also took notes on the location of the product on the shelf, the price of the products, and the visibility of the halal logo on the product.

Data collection and analysis

For the supermarket category, we visited five supermarkets that are located in Bandar Baru Nilai and Sepang within greater Klang Valley area, and in Kuala Lumpur, the capital city of Malaysia. The supermarkets are Jaya Grocer Nilai, Jaya Grocer KLIA2, AEON Supermarket Nilai, Cold Storage KLCC and Isetan KLCC. As for the convenience stores, we observed eight outlets of Family Mart, 99Speedmart, KK Mart and 7Eleven in Bandar Baru Nilai and Kuala Lumpur. Only chain supermarkets were selected for this study. All observations were conducted between 24th of November 2019 to 5th of January 2020. For the selected outlets, we also conducted second visits to determine if there had been visible changes on the shelves’ spaces that we had observed.

In addition to conducting physical observation, we also conducted online research on two most popular e-commerce marketplaces in Malaysia, namely Lazada Malaysia (Lazada) and Shopee (iPrice, 2019). On these two platforms, we keyed-in the term ‘halal and Taiwan’, and
noted the numbers and range of products resulted from our search; this was followed by keying-in ‘halal and Korea’ as well as ‘halal and Japan’. The results of these online observations were then compared to the findings of the physical observation, from which we derived our major findings. The comparison of the findings from our observations on e-commerce marketplaces complemented our findings for the product availability.

Each observation on the particular supermarket, convenient store and online platform was considered as a case. After each observation, first, we conducted a within case analysis focusing on the specific supermarket or convenient store or online platform, to analyze the details of product availability and other dimensions. Second, we examined the data collected from the second observation and conducted the subsequent within case analysis. Third, we performed the cross-case comparison analysis, in which we compared the findings of one case against another case in the same group, Group 1 (supermarkets); Group 2 (convenient stores) and Group 3 (online platforms) to search for similarities or differences of the emerging dimensions, until we reached the point of saturation. Lastly, the findings were compared across groups, to generate the consolidated findings, which constitute our finalized findings for both physical and online platforms. The dimensions of 4Ps from the study’s conceptual framework served as *apriori* categories for our observations. During the data analysis, we generated the themes which were later combined to become categories. Certain themes and categories that constitute the findings of this study emerged from the data, while others are affirmed *apriori* themes and categories.

**Findings and discussion**

*Findings from observations in selected supermarkets*

a. Dimension of Product

The dimensions of product for this study include physical availability and visibility of the product, particularly the visibility of its halal logo, and availability of product lines. Product availability and visibility are interrelated because even if a product is available, a sale cannot be effected if the customer simply cannot find the product. As reported by a Nielsen consumer study (2015), sales effectiveness in a store is principally determined by both product availability and visibility.

Overall, the products of Taiwan that are available in Malaysia have many varieties. However, when the number of Taiwanese products that carry halal logo is taken into consideration, their availability in Malaysia is still limited in number compared to imported products from other countries. In terms of physical visibility, particularly in high-end supermarkets, there are many products from Taiwan available in Malaysia, specifically food products, mostly snack and crackers, bottled and canned products, cereal drinks, many selection of teas, as well as ready-to-eat cakes, sweets and jelly. The number of products with halal logo seemed to be more in numbers in the outlets that targeted middle to high-income consumers and expatriates, in comparison to supermarkets that targeted low-income and local consumers. For example, products of Taiwan are more numerous in Cold Storage, Isetan and Jaya Grocer, compared to Aeon supermarket. This is not surprising as Cold Storage, Isetan and Jaya Grocer target high-income consumers and expatriates, while Aeon focuses on local consumers who like to experience international foods.

We identified three halal certification bodies that confer halal logo for the Taiwanese products that we observed. They are Taiwan Halal Integrity Development Association (THIDA), Chinese Muslim Association (CMA), and Taipei Grand Mosque Foundation
(TGM). Most of the halal logos for Taiwanese products are displayed at the back of the packaging instead of in the front, making them less visible to unfamiliar buyers. In addition, the halal logo of Taiwan seems to be smaller in size, with lower quality stamping, in comparison to other halal logos from other countries such as Thailand, South Korea, Japan and Singapore. Moreover, it seems that the halal logo of THIDA has higher visibility and more easily recognizable in comparison to the TGM’s halal logo.

In addition, we also noticed multiple-country halal certification for some of the South Korean and Japanese products; that is, the products being certified by a foreign country’s certified body other than that of the manufacturers’ home country, including Malaysia. This could be due to the products are also being marketed to different countries.

All Taiwanese products, with or without halal logo, use Chinese characters on the packaging with limited or no English wordings at all. Hence, the products are difficult to be recognized and remembered by consumers who do not read Chinese. This situation seems to be not in sync with the country’s efforts of marketing halal products for Malaysian target market who are predominantly Malay Muslims.

b. Dimension of Price

Our study also scrutinized the pricing strategy used by the companies that sell Taiwanese products, with halal logo, in Malaysia. Overall, the products that are available in supermarkets are affordable, although we noted several products under the same brand being sold at slightly different prices at different supermarkets. The slight difference in the pricing could be due to the nature of the supermarkets’ target customers.

Most of generic food products from Taiwan such as bottled and canned foods are sold at ‘economy’ prices, where these prices are comparable and affordable compared to those of local and imported products from other countries. For example, pickled vegetable products were roughly priced at RM4.00 (USD1) while bottled kimchi products at about RM12.00 (USD3). This pricing is comparable to locally manufactured products. In addition to generic foods, specialty delicacies of Taiwan are also sold at affordable prices. In this category, dessert (e.g., mochi and plum jelly) and snacks (e.g., vegetarian jerky products and crackers) are among the specialty products that are perceived as good quality. For example, in one imported food fair held by AEON Supermarket a vegetarian jerky product was sold at the ‘introductory’ price of RM14.90 (less than USD4). Perhaps this cost leadership strategy is adopted because of the producers’ need to penetrate the market. Moreover, this strategy appears to be possible because of the minimum marketing effort and promotion implemented by Taiwanese producers, in comparison to producers of other countries.

c. Dimension of Place

The dimensions of place include the level of availability in selected supermarkets and convenience store, and the location of product placement on the shelves. On the whole, more Taiwanese products were available in supermarkets, but limited in convenient stores. In addition, most Taiwan’s products (with or without halal logo) in Jaya Grocer and AEON supermarkets were placed at the lower part of the shelves, effectively under the eye level view. Positioning of products at the eye level shelf is considered as the best product placement, as it would result in gaining greater attention from the customers and leading to more sales (Ebster & Garaus, 2015). On the other hand, there were dedicated shelves for Taiwanese products in Cold Storage and Isetan.

Figure 2 illustrates an example of the shelf layout in one of the supermarkets that we observed. The dotted box indicates the location of Taiwan’s products that are on display.
Most of the products that we observed were located at the lower levels of the seven or eight-tier shelves.

![Image](image.png)

**Figure 2.** Shelf layout and location of products of Taiwan on display in one of the observed supermarkets

d. Dimension of Promotion

The dimensions of promotion include the image making and product positioning, the brand recognition of the products, the marketing tools for advertising, and the promotional strategies of the products being sold in the supermarkets and convenient stores.

Most of the supermarkets have taken some initiatives to promote imported products including those from Taiwan. The efforts include product positioning in the form of existence of dedicated shelves for Taiwanese products in certain supermarkets. Whereas for image making via packaging, Taiwanese products seem to have a lack of identity in regard to their country of origin. This is due to those products’ packaging that appear to be similar to local products or products imported from Mainland China that targeted the Malaysian-Chinese consumers. This situation is in contrast to halal products imported from South Korea and Japan, which countries of origin were easily spotted and identified on the product packaging. For example, products from South Korea and Japan displayed the countries’ flags on their packaging. Moreover, many products from these two countries used English wordings on the packaging for easy identification, brand recognition and brand recall.

In terms of positioning and promotion, Cold Storage and Isetan have provided dedicated shelves for products from Taiwan, indicative of the intention to increase customers’ awareness of these products. As for AEON Supermarket, there was a special area, known as Event section that was specifically reserved for promotional activities. One of the activities include imported food fair, where products of Taiwan were displayed along with other products of South Korea and China. This kind of events, however were seasonal and limited for a certain period of time.

While there was no dedicated shelf for products from Taiwan in Jaya Grocer and AEON Supermarket, there was at least one Taiwanese product placed at different food sections in the supermarkets. However, in all supermarkets, more attention seemed to be given to imported products from South Korea and Japan, as evident by the large number of those products available on display. For South Korean products, the brand recognition is high due to continuous promotion in the media through South Korean dramas and K-pop singers/groups, and the use of social media platform to promote them, including via Instagram.

Nevertheless, it seems that Taiwanese products have high demands from customers, indicated by them having a high rate of restocking. During our second visits to the
supermarkets and convenient stores, we noticed many products were restocked daily, or replaced with other products that were also manufactured from Taiwan, including new products.

**Findings from observations in convenience stores**

In general, there is an absence of Taiwan’s food products that carry halal logo in convenience stores, compared to food products from other countries such as Japan, South Korea, Thailand, India, and Indonesia. From eight instances of our observation at convenient stores, only one Taiwanese product with halal logo – a rice cracker product, was spotted in five locations. This rice cracker product carried the halal logo of Taipei Grand Mosque. There was no other type of Taiwan’s food product found in the convenient stores despite our thorough inspection of all shelves. In 7Eleven for example, imported goods included frozen foods, dried fruits, chocolate, snack and chips, drinks, instant cereals, and instant noodles shelves, which were manufactured in Thailand, China, and United Arab Emirates (UAe).

Most of the food products that were available in 7Eleven, whether locally produced or imported, carried halal logos on its packaging. For example, CP Frozen Green Soy Bean and Rice Cracker are products of Thailand and each had a halal logo certified by The Central Islamic Committee of Thailand (CICOT); 7Eleven Dried Fruit is the product of China, and it carries the halal logo of Shandong Halal Certificate Service (SHC); Hunter’s Gourmet Brown Rice Bites is from the UAE, and its halal logo is authorized by the UAE Halal National Mark.

**Findings from observations in e-commerce marketplaces**

On Lazada platform, Thailand has the highest visibility among Muslim-minority countries that manufacture halal products that were available on Lazada, followed by South Korea, Japan and Taiwan. Our search for halal products from Taiwan, using keywords like ‘halal Taiwan’ generated 29 items on Lazada: 11 of them were drink products, while the rest were mochi, tapioca pear and other products. This number is considered marginal, in comparison to more than 10,000 made in Taiwan products that were available for sale on that platform. As for halal products from Japan, there were 145 items available. For South Korean products, out of 1,586,795 items, 454 were labelled as halal.

On Shopee platform, we found more than 165 products that were made in Taiwan using the keywords such as ‘halal Taiwan’. Upon screening, however, many of them did not qualify as halal products. The items included a water filter product from South Korea, and a number of non-halal canned foods. When the keyword ‘halal Korea’ was entered, the search generated about 800 items, whereas the result for ‘halal Japan’ was about 150 items. Based on these observations, we can conclude that there is a low visibility of Taiwan products that are available on online shopping platforms in Malaysia. Nevertheless, it is also possible that the consumers of imported products are using other online platforms besides Lazada and Shopee.

**Conclusions and implications for future research and practice**

The findings of the study enlighten us on the current state of the internationalization of halal products from Taiwan, as indicated by their availability and other dimensions in Malaysia. Our findings have several implications for the body of knowledge and practice. Theoretically, the study extends existing knowledge by discussing the relevant constructs for internationalization of halal food products from a Muslim-minority country trying to sell to a
larger Muslim market. A number of emergent constructs with emphasis on the dimensions of product placement and promotion can be concluded from our findings. The emerged themes include product price affordability, impulse purchase products, product variety, product visibility and availability, visibility of halal logo, customer identification of halal logo, country identity and brand equity. These constructs are inter-related and exist as a package of offerings of halal products that are exported to Malaysia.

First, internationalization of halal Taiwan utilizes price affordability as a strategy (price dimension). The products’ prices are in the range affordable to the general population. This kind of pricing strategy is appropriate for market penetration as it can induce first time purchases of products and attract greater pool of potential buyers. Second, halal products from Taiwan offers variety of products for impulse purchase, such as snacks and drinks, specialty milk products and yogurt drinks, which attract first time consumers to try the products, another appropriate market penetration strategy.

Third, internationalization of halal Taiwan require product visibility (product dimension) and availability (placement dimension). Currently, the visibility of halal products from Taiwan is generally low. Although Taiwanese halal products have their presence in Malaysian market, as indicated by the variety and range, they are still considered low in comparison to other countries that exported halal products such as Japan, South Korea, and Thailand. As far as food products are concerned, the highest number of imported products are made in Japan and South Korea, which take up most of the spaces on the shelves in all supermarkets that we observed, to the extent that several shelves seem to be dedicated for products from the two countries. In addition, Taiwanese products appear to be obscured by others from other countries. This observation manifests in all platforms – supermarket, convenience stores, and online stores. Hence, it appears that customers need to put more effort in looking for ‘Made in Taiwan’ products with halal logo. The findings also indicate the degree of preference of retailers and the level of demands that the consumers have toward these products. For example, the South Korean and Japanese products seem to have better acceptance by the retailers. This situation can be attributed to the familiarity of Malaysian customers, particularly Malay-Muslims, with South Korea or Japan as a country, compared to Taiwan.

Fourth, internationalization of halal food products from Muslim-minority countries requires establishment of product branding and country identity (promotion dimension). Our study found that there is a lack of halal branding of products from Taiwan. The existence of different logos on product packaging originated from Taiwan adds to the confusion, causing customers to take their time to identify with the logos. This issue points to the fact that there seems to be a lack of country identity for Taiwan. It appears that Taiwan as a country, and thus its products are strongly associated to China. The name and the brand of its products are also written in Chinese. In comparison, products from South Korea and Japan seem to better represent each country’s identity, the country’s flag being prominent on the product packaging as well on shelf areas where the products are displayed. In the case of Japan, country-product identity seems to be the most established amongst the three countries, with some becoming familiar household items for many years, such as miso soup paste, seaweeds and green tea. The emerging construct of country identity, which contributes to successful internationalization is a novel finding of this study.

**Theoretical and practical implications**

While extending the 4Ps framework into the contexts of internationalization, the findings of affordability, variety of products of impulse purchase in nature, product visibility and availability, further emphasize Anderson and Billou (2007)’s 4A dimensions of affordability,
accessibility, acceptability, and awareness; which are relevant when introducing new products into new markets, including international markets. After all, the basic premise of internationalization is to increase sales. Specifically, in regard to affordability, when firms want to sell products in new overseas’ markets, low price is likely chosen as a strategy to increase sales, for both local and overseas’ markets. Therefore, it shows that regardless of local or overseas’ markets, lower price is one important strategy. The use of small packets for impulse purchase to break the prices is another strategy to increase sales. Hence, our findings establish the need of further understanding of the marketing contexts at the cross-border, in order for effective integration of marketing framework in internationalization settings.

Based on the above conclusions, at the country level, the authority of Taiwan should actively overcome the issues of product availability and positioning. In regard to this, Taiwan should strategize its halal product export by developing more depths in penetrating the Malaysian markets. Taiwan’s culture and country identity should also be featured and highlighted. In this regard, South Korea’s success in promoting its country’s identity can be emulated. The success of South Korea’s hallyu or pop culture has tremendously help to boost other sectors of its economy (Adlin & Alina, 2020). Products from South Korea for example, pop culture (K-pop) and television serials (K-dramas) are prominently featured in entertainment media. Taiwan can consider such level of efforts of promotion at the country level to accelerate the identification of the country identity, whereby the benefits will spill over to its halal product exports.

There must also be a concerted effort at the industry and firm levels, in which Taiwanese manufacturers should seek more platforms to promote their products to Malaysian markets. The promotions and advertisements in mass media, for instance, should focus on highlighting the country and its brand of ‘Halal Taiwan’. This is because, if Taiwanese firms intend to penetrate the Malaysian Muslim market, their promotion must cater toward Muslims in Malaysia. The halal logo of Taiwan must be promoted in order to enable the customers to familiarize themselves with Taiwanese halal products. At the firm level, firms and managers need to understand the needs of their target markets in Malaysia, as well as the need to bridge the gap for its overall lack of identity and halal branding. This requires that the businesses to work in tandem with the authorities of Taiwan.

Future studies may consider broadening the investigation on the internationalization of the service sectors of Taiwan, including halal restaurants, which has also begin to establish its presence in Malaysia. Future research may also consider analyzing the phenomenon from the retailers’ side, as well as investigating the views of specific groups of customers who make decisions for household purchases, for example mothers and single young adults. Such studies will enable a more comprehensive understanding of the internationalization of Taiwan’s halal products.

Acknowledgement

The authors acknowledge the utilization of CCKF Taiwan Research Grant RG009-P-18 from Chiang Ching-kuo Foundation for International Scholarly Exchange (administered under Universiti Sains Islam Malaysia’s USIM/INT_CCKF/FEM/053000/41919), as well as Universiti Kebangsaan Malaysia’s GUP-2018-008. The authors also thank Nur Ain Syahida Aira Mohd Riduan for her research assistance.
References


