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## THE ROLE OF E-COMMERCE IN INCREASING THE COMPETITIVENESS OF HALAL PRODUCTS IN FRANCE

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### Abstract:

This study discusses the role of e-commerce in increasing the competitiveness of halal products in France, a country with a significant Muslim population but facing challenges in terms of understanding halal certification and public perception. The main objective of this study is to analyze the market conditions of halal products in France, explore the role of e-commerce in the promotion of halal products, and formulate effective strategies that can be implemented by manufacturers and marketers. This research uses a qualitative approach with a literature study method on relevant journals, reports, and books that discuss the halal market and the development of e-commerce in France. The results of the study show that e-commerce is able to overcome geographical barriers and stigma towards halal products through digital education, information transparency, and value-based campaigns. In addition, strategies such as digital storytelling, the use of blockchain technology, and the development of halal special marketplaces have been proven to increase consumer confidence and expand market reach. E-commerce also contributes to the Islamic development economy by supporting the principles of justice, inclusivity, and the empowerment of small and medium enterprises. The integration between digital technology and the principles of the Islamic economy through e-commerce is key in strengthening the halal ecosystem in France.

**Keywords:** e-commerce, French Halal Products, Digital Marketing Strategy, Islamic Economy

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### A. INTRODUCTION

Globalization is the process by which countries around the world become increasingly connected and interdependent with each other through increased trade, communication, and cultural exchange. This process has been amplified by the rapid development of technology, allowing information, ideas, and goods to move across national borders at an unprecedented

rate. Technological advancements, especially in the field of information and communication technology, have been a major driver of globalization. Technologies such as the internet, mobile devices, and social media have made it easier to communicate and interact between individuals around the world. One of them is in the economic field, companies can now access international markets more easily, do business globally, and collaborate with business partners in various countries (El-Gohary, 2021).

Globalization and technological advances have opened up new opportunities for developing countries to participate in the global economy. Advanced manufacturing technology, for example, allows for the production of goods at lower costs and higher quality. E-commerce has also opened up a global market for small and medium-sized businesses, allowing them to compete with large companies. Globalization has created an increasingly connected world, where goods and services can move across national borders more easily. This has opened up new opportunities for the company to reach international markets and increase global trade volumes. In the context of globalization, e-commerce has become a very effective tool for facilitating cross-border trade. E-commerce. The internet, mobile devices, and digital platforms have changed the way consumers shop and interact with businesses. This technology allows consumers to buy products from different countries with just a few clicks, without having to leave their homes. This is in line with the principle of globalization that connects markets around the world.

E-commerce offers a variety of advantages in the context of globalization. First, e-commerce eliminates geographical boundaries, allowing companies to sell their products to consumers in different parts of the world. Second, e-commerce can reduce operational and distribution costs, as it does not require a large physical infrastructure like traditional retail stores. Third, e-commerce provides wider access to consumers to various types of products, including products that may be difficult to find in the local market, especially halal products in the European continent (Laudon, 2018).

The development of e-commerce in recent years has significantly changed the way we transact and do business. Globalization and advances in information technology, e-commerce has emerged as an efficient solution to reach a wider market. In France, as one of the countries with a significant Muslim population, there is great potential to develop halal products through e-commerce platforms. This is important because halal products are not only in demand by Muslim consumers, but also by the wider community who are increasingly aware of the importance of quality products and in accordance with health and ethical values. The potential for the development of halal products is there, but halal products in France still face challenges, such as a lack of understanding of halal certification and the stigma and negative perceptions that often accompany these products. E-commerce can be an effective tool to overcome these challenges by providing better access to consumers, raising awareness, and promoting halal products more widely (Bensalah, 2021)

E-commerce has become a global phenomenon that is changing the way business is done around the world. Along with the development of information and communication technology, electronic commerce has experienced rapid growth and has had a significant impact on various sectors of the economy. One of the sectors positively affected by the development

of e-commerce is the halal product industry. Halal products, which are produced and consumed in accordance with Islamic principles, are now gaining more attention in the international market, including in France. According to the theory of innovation and technology adoption, e-commerce allows companies to expand market reach, improve operational efficiency, and reduce distribution costs. Through e-commerce platforms, halal product manufacturers can reach consumers in various parts of the world without having to face geographical constraints. This allows for increased competitiveness of halal products in the global market, including in France which is one of the countries with the largest Muslim population in Europe (Bensalah, 2021).

E-commerce has become one of the fastest-growing sectors in the global economy. Along with the advancement of information and communication technology, e-commerce has changed the way business is done and opened up new opportunities for companies to reach a wider market. In the midst of the rapid development of e-commerce, the halal product industry has also experienced a significant increase. Halal products, which are produced and consumed in accordance with Islamic principles, are now in demand not only by Muslim consumers, but also by non-Muslim consumers who care about the quality and cleanliness of the product. The global halal product market is constantly growing, creating a huge opportunity for manufacturers to expand their market reach through e-commerce platforms.

Halal products in France still face challenges, such as a lack of understanding of halal certification and the stigma and negative perceptions that often accompany these products. E-commerce can be an effective tool to overcome these challenges by providing better access to consumers, raising awareness, and promoting halal products more widely (Wilson, 2020). The formulation of the problem that will be discussed in this study includes several important questions. First, what is the current condition of the halal product market in France, and what are the challenges it faces? Second, what is the role of e-commerce in promoting halal products and increasing their competitiveness in the French market? Third, what strategies can manufacturers and marketers implement to make the most of e-commerce? Fourth, what is the perception of French consumers of halal products marketed online and the impact on the country's development economy? By answering these questions, the research is expected to make a significant contribution to the development of halal product marketing strategies in the digital era. Through this research, it is hoped that a deeper understanding of the dynamics of the halal product market in France and the potential of e-commerce can be obtained in overcoming various existing challenges. In addition, the results of this study are expected to provide recommendations for business actors, stakeholders, and researchers interested in this topic. Thus, this research is not only academically relevant, but also practical in the context of the development of the halal product industry in France.

## B. LITERATURE REVIEW

The theory of global competition put forward by Porter (1985) that competitive advantage emphasizes the importance of product differentiation and cost efficiency to win competition. E-commerce provides an opportunity for halal product manufacturers to introduce the uniqueness and quality of their products to consumers in France more effectively and

efficiently. In addition, digital marketing strategies implemented through e-commerce platforms can help increase consumer awareness and interest in halal products.

Rogers' (1962) theory of innovation diffusion describes how technological innovations, such as e-commerce, can be adopted by society and affect consumer behavior. In the case of halal products, e-commerce acts as a distribution channel that allows Muslim consumers in France to access halal products more easily and conveniently. This, in turn, can drive an increase in demand and consumption of halal products in the country. Previous research has examined the role of e-commerce in strengthening the competitiveness of halal products in various countries. For example, research by Al-Qaradawi (2018) shows that e-commerce allows halal manufacturers to market their products directly to consumers, reducing distribution costs and increasing profit margins. A study by Rahman, et al (2020) reveals that the right digital marketing strategy can increase consumer confidence in halal products, which in turn has a positive impact on sales. In France itself, research by Bensalah (2021) shows that although the market for halal products is growing rapidly, there is still a gap in e-commerce penetration. Their research highlights the need for a more integrated approach between manufacturers, marketers, and e-commerce platforms to maximize the potential of this market. Thus, this study aims to fill this gap by analyzing how e-commerce can specifically increase the competitiveness of halal products in France and also how halal products in France can start an Islamic-based development economy.

## C. METHOD

This study adopts a qualitative approach using the literature review method to analyze the role of e-commerce in promoting halal products in France. This approach was chosen because it allows researchers to explore existing information and understand the context of the halal product market and the dynamics of e-commerce. The sources of literature collected include relevant journal articles, books, and research reports, with a focus on studies that address the French context and the development of the halal product market. The research stage begins with the selection of relevant literature sources, followed by the determination of inclusion and exclusion criteria to ensure the quality and credibility of the information. After that, the data analysis was carried out by a thematic analysis method, which included the identification of key themes such as the challenges faced by halal products and the role of e-commerce. The results of this analysis are then synthesized to build a comprehensive understanding of the relationship between e-commerce and halal products as well as applicable marketing strategies. This study also pays attention to the aspects of validity and reliability by using verified sources and cross-checking to ensure the consistency of the findings. Despite limitations in the number and type of resources available, the results of this literature review are expected to provide in-depth insights, as well as useful recommendations for businesses and stakeholders in developing more effective marketing strategies for halal products in France.

## D. RESULT AND DISCUSSION

Globalization and technological developments have opened up great opportunities for international trade, including in the marketing of halal products. E-commerce is the main tool in connecting manufacturers with consumers without geographical restrictions. France as a country with a large Muslim population has a high halal market potential. However, this potential has not been fully utilized optimally. This research tries to dig deeper into how e-commerce can strengthen the penetration of halal products in France. E-commerce offers distribution efficiency and a wider market reach. In this context, business actors can reduce operational costs through the digitization of business processes. Consumers also get convenience in accessing halal products without having to go to a physical store. This is a solution to the limited availability of halal products in certain areas. This development strongly supports the vision of inclusive and accessible globalization.

The biggest challenge in the French halal industry is the lack of public understanding of halal certification. Many consumers don't know how to make sure the products they buy are certified. E-commerce plays an important role in providing product information transparently. The digital platform allows manufacturers to include certification details, production processes, and consumer reviews. This plays a role in building market confidence. According to the theory of innovation diffusion by Rogers (1962), the adoption of technologies such as e-commerce affects consumer behavior. In this case, e-commerce encourages the adoption of halal products through accessibility and convenience. Consumers are becoming more open to halal products because information is easily accessible. Halal products are no longer limited to traditional markets. Digitalization extends the existence of these products to a more competitive realm.

Porter's (1985) theory of competitive advantage, e-commerce allows product differentiation by highlighting added value. Halal products can be positioned as high-quality, hygienic, and ethical products. This gives a competitive advantage over conventional products. E-commerce provides a narrative space to convey these advantages. Consumers also have a tendency to choose products with clear added value. Data from Euro Monitor shows that the growth of the European halal market is very promising. France is among the countries with the greatest market potential. E-commerce is a strategic means to seize this opportunity. Especially in reaching the digital-savvy young generation of Muslims. Platforms like Amazon, eBay, and even local marketplaces are starting to provide halal categories specifically.

A study by Al-Qaradawi (2018) shows that e-commerce reduces dependence on conventional distributors. Manufacturers can directly interact with consumers, increasing profit margins. This also opens up opportunities for halal MSMEs that previously found it difficult to enter foreign markets. In France, this is especially relevant as consumers increasingly prefer authentic and local products. Local Indonesian products, for example, can enter the European market through digital channels. The majority of halal business actors are not yet digitally ready. The limitations of digital literacy are the main obstacle in optimizing e-commerce. Training and assistance are needed for halal MSMEs. The government and private institutions can collaborate in this regard. Because digitalization is inevitable in today's global trade.

Negative perception of halal products is also a challenge. There is an assumption that halal products are only for Muslims. In fact, many non-Muslim consumers appreciate the value of cleanliness and ethics in the halal process. Educational campaigns through e-commerce are very effective in combating this stigma. The emphasis on health and sustainability aspects can expand market share. Research by Rahman et al (2020) also supports the importance of digital marketing in building consumer trust. A transparent and inclusive communication strategy is key. Modern consumers want to know more about the origins of products. E-commerce allows for the delivery of the brand's story and the ethical values behind the product. This creates an emotional attachment between the product and the consumer. Halal e-commerce in practice in France is still dominated by large players. In fact, many small players have quality products but are difficult to compete. A halal-only platform can be an inclusive solution. Halal marketplaces can provide promotion, education, and transaction space that suit market needs. It also opens up opportunities for collaboration between manufacturers.

Halal products are not only limited to food, but also include cosmetics, fashion, and Islamic financial services. E-commerce opens up great opportunities in this cross-sector expansion. Consumers who initially buy halal food can be introduced to halal cosmetics. The concept of halal lifestyle is starting to grow among the younger generation. This is a very potential marketing opportunity. Diaspora consumers are also an important target market. Many Muslims from other countries live in France and have difficulty accessing authentic halal products. E-commerce bridges this need through cross-border shipping. Cooperation with logistics and international platforms is crucial. That way, products from Indonesia, for example, can reach French consumers quickly and safely.

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Blockchain technology is starting to be looked at as a solution to ensure the authenticity of halal products. Every supply chain can be digitally monitored and verified. This increases transparency and accountability in the halal industry. Consumers can trace the origin of the product from upstream to downstream. E-commerce is an ideal place to integrate this technology. One of the recommended strategies is the use of digital storytelling. Stories about the values behind halal products can strengthen their appeal. Visuals, testimonials, and interactive content can be utilized. It also brings the brand closer to the target community. This approach is particularly suitable in the era of experience-based marketing.

A hybrid strategy combining physical stores and e-commerce can also be used. Physical stores can serve as pickup points or branding centers. While sales are still done online for efficiency. This reduces rental and staffing costs, while still maintaining the consumer experience. This model has been applied by several global halal brands. The French government is expected to incentivize digital halal businesses. Supportive regulations can accelerate the adoption of the technology by local manufacturers. Incentives can be taxes, training, or access to national platforms. In addition, cooperation between halal producing countries is important to strengthen the supply chain, including the harmonization of halal certification standards between countries.

This research emphasizes the importance of public education about halal as a whole. It is not enough to just market, but also to educate about the value, process, and benefits of halal products. Consumers who understand are more likely to be loyal. Digital social



campaigns can be a tool to build this loyal community. Platforms like Instagram and TikTok are very effective for the younger generation. Halal digital communities can be developed through forums, discussion groups, or community marketplaces. Here, consumers can share experiences, product reviews, and information. This creates a sense of belonging to the brand. Manufacturers can also get feedback directly. This pattern has been proven to be successful in other community marketing.

Thanks to e-commerce, halal products have become easier to recognize and reach by global consumers. This makes halal products not only a necessity, but also part of the lifestyle. More and more halal products are competing in global e-commerce. This shows that digitalization strategies are indeed effective in raising competitiveness. This research strengthens this narrative with in-depth literature findings. Halal products are not only economically valuable, but also contain spiritual and social values that are in line with the economic principles of Islamic development. Within this framework, the trade of halal products through e-commerce is part of an ethical, fair, and sustainable economy. The principles of fairness (al-'adl), balance (al-mizan), and transparency (al-shafafiyyah) are reflected in halal marketing practices that use digital technology responsibly. E-commerce can encourage the empowerment of Muslim micro-entrepreneurs who have been marginalized in the conventional market. Strengthening the halal sector through e-commerce also supports the goals of maqashid al-sharia in the aspects of property protection, religion, and survival.

Islamic development economics emphasizes the importance of a fair and inclusive distribution of wealth. With e-commerce platforms, the distribution of halal products becomes more even, not only limited to big cities. This opens up new economic opportunities in disadvantaged areas and for Muslim diaspora communities scattered across Europe. This principle of equitable distribution is very much in line with the concept of falah, which is common prosperity in this world and the hereafter. Strengthening e-commerce-based halal business networks is an important part of building a dynamic and global Islamic economic ecosystem.

In the framework of Islamic economic development, business not only pursues profits, but also social benefits. Halal e-commerce that is managed in a trustworthy manner can create a trade ecosystem that supports the economic growth of the people. This strengthens the aspect of ukhuwah (brotherhood) in business and encourages cooperation across Islamic countries. The potential for halal trade cooperation between OIC countries and the Muslim community in France could increase the flow of halal goods and expand the reach of the Islamic economy. E-commerce thus becomes a means of actualizing sharia principles in modern economic activities.

The halal principle in trade is not only about the product, but also about the way of transactions and the underlying intention. In an Islamic perspective, economic blessings arise from honesty, justice, and transparency, all of which can be realized through a good digital system. E-commerce provides an auditable track record of transactions, thus encouraging accountability and honesty in business. This transparency is essential in building consumer trust and expanding the halal market ethically. Therefore, the integration between sharia principles and technology is an important foundation in building an Islamic digital economy.

The e-commerce system adopted based on the principles of Islamic economics has an impact on business actors can contribute directly to the economic growth of the people. Concepts such as digital company zakat, mudharabah-based profit sharing, and halal crowdfunding models can be further developed. This encourages the creation of a digital sector that is not only productive, but also fair and socially impactful. Halal products are not just commodities, but part of the grand vision of an inclusive and sustainable Islamic economy. The existence of halal e-commerce is a concrete step towards the transformation of the sharia economy in the global realm.

## E. CONCLUSION

From some of the explanations above, this study can be concluded that the halal product market in France has great potential, considering the significant Muslim population and increasing public awareness of hygienic, ethical, and quality products. However, this market still faces various challenges such as a lack of understanding of halal certification and a negative perception that halal products are only relevant to Muslims.

E-commerce plays a crucial role in expanding the market reach of halal products, providing easier access to consumers, and becoming an effective promotional tool through transparency of information and narrative of halal values. Digital platforms allow businesses to display certifications, brand stories, and consumer testimonials, thereby building market trust.

Strategies that can be applied by producers and marketers include consumer education through digital campaigns, strengthening the narrative of halal products through storytelling, integration of technology such as blockchain to ensure authenticity, and the use of special halal marketplaces. Digital training for small and medium enterprises and regulatory support from the government are also important to optimize the potential of e-commerce.

From the consumer side, e-commerce encourages a positive perception of halal products, not only as a religious need, but also as a healthy and sustainable lifestyle. The impact on the development economy is also significant, as digital-based halal trade contributes to the economic empowerment of the people, a fairer distribution of wealth, and the actualization of Islamic economic principles such as justice, transparency, and sustainability. Thus, e-commerce is a strategic means in building an inclusive and global sharia economic ecosystem.

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