

Honey Halal Product for Competition Strategy in Indonesia: The New Institutional Economics

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Abstract

Honey products are one type of product that provides many economic and health benefits, so they are in great demand by all world citizens. There is a global gap between production and consumption, so each country competes to increase its production for domestic needs and to meet world demand for honey products. Muslims in Indonesia believe that honey is a Halal product, but the level of consumption is still low. Individuals or families manage many honey producers, so the volume produced is minimal for self-consumption and sale directly to consumers. To meet the global demand for honey, the interests of medium-large companies are vital but still empower honey producers or individual honey farmers. Following a new institutional economics approach, this study aims to maintain its commitment to quality, halal obligations, and corporate analysis strategy. This study uses descriptive qualitative research using literature studies with the locus of honey production and its potential in Indonesia on the new institutional economics approach, as well as secondary data. The results of the study found that the company is very committed to quality assurance and product halalness by conducting halal tests through food, drug, and cosmetic product review agencies, the Indonesian Ulema Council and implementing corporate strategy at the fourth level as new institutional economics, namely an economic order with resource efficiency, formation of marginal prices and structures, and business continuity with sustainable halal commitments.

Keywords: Halal Product, Honey, Indonesia, New Institutional Economics, Strategy

Introduction

It is a human responsibility to fulfill the necessities of life individually, as a family, or as a group to do good (*maslahah*) for other people. One way to do this is to run a business. The needs that humans strive to fulfill breakdown into three categories: the need for clothing, the need for food, and the need for shelter. Complementarity regarding capabilities, talents, and experience in conducting business is necessary to meet human existence requirements. According to Fellner and Goehmann (2020), human needs founded on material become the center of economic activity. It then becomes a component of the wealth it has acquired, while

the immaterial element of the spiritual needs becomes a status of having attained inner satisfaction.

The religion of Islam instructs people on how to conduct themselves morally and lawfully by offering extensive advantages over a long period. These advantages include obtaining, managing, and obtaining outcomes or products. Indonesia, the world's largest Muslim population, has been unable to play an influential part in matching this demand, even though it has the most significant number of Muslims. On the other hand, the number of restaurants serving halal food continues to rise annually, a driver of economic expansion in both the region and the globe (Nafis, 2019). Interests and concerns about halal guarantees for products in Indonesia, not only in the company interest approach but also cultural values and holding a commitment to the provisions as in the Qur'an so that there is an increase in halal products and their derivatives (Fauzi et al., 2023).

High demand and public consumption, halal products not by the amount of production, management that has not been able to optimize yet, risk management in the halal sector, and the use of technology in the halal industry are not yet all these challenges the development of the halal industry in Indonesia. Other challenges include regulations not supporting the halal industry, low literacy and public awareness of halal products, and low linkages between halal and the Islamic financial industry (Rahmi, 2020). Both the general number of Muslim tourists and the demand for halal food and services are proliferating. The establishment of halal guarantees results in the creation of a new stream of revenue for the state.

It assists companies operating in halal industry hotspots, contributing to the revitalization, maintenance, and growth of Islamic financial organizations. Despite these positive possibilities and prospects, not all municipal governments will take on this vital function (Hakim, 2019). Most people in Indonesia still have insufficient information and understanding of the perspective of halal tourism. It creates an obstacle regarding what to do and how to prepare. The elements of cleanliness and feasibility of processed products with halal guarantees are still low, and where most people believe enough by reading bismillah, it has become halal. Despite these challenges, halal certification is becoming more common (Devi & Firmansyah, 2019).

Honey is a product produced by bees that is very good for the benefit of all living things. Naturally able to provide alternatives as consumption to maintain health, it to be preserved both in terms of production and management so that it can be available in the long term.

Another side of honey contains a high-calorie, easy-to-digest product used as food and natural medicine. Honey uses to make soaps, cosmetics, and medicines applied directly to wounds and burns. It helps fight infection, promotes tissue regeneration, and reduces scarring in its raw, unprocessed form.

Honey is one of the forest products which is a leading sector, with a land area of about 200 million hectares and a forest area of 143 million hectares. Indonesia has natural resources in the form of large areas of land for the development of the honey industry in the future (Novandra & Widnyana, 2013) with 115 types of nectar plants suitable for the development and renewal of beekeeping, which is rich in flower plant diversification and the potential for year-round honey production with, the *Apis dorsata* bee species weakest honey in Asia most productive to produce honey.

Some regions are well-known for producing honey in Indonesia, including Sumbawa, East of Nusa Tenggara, and parts of Java. The export value of honey was US\$ 75,484,057.30 in 2020, which provides good economic value for beekeepers (BPS, 2021). Competition in the blending business in Indonesia is improving by providing top brands to companies committed to

customers so that the domestic honey market can gradually fulfilling the quality and quantity. It provides an opportunity for all honey producers to expand their market share, as in the following table:

Table 1.1

Domestic Honey Market Share

No.	Brand	Market (%)
1.	Madurasa	61,00
2.	Madu TJ	17,20
3.	Madu Nusantara	10.90
4.	Another	7,90

Source: Top Brand Award, 2020

The domestic market share for honey is fulfilled by the size or dominance of Madurasa products managed by PT. Madurasa Unggulan Nusantara at 61%, then Madu TJ at 17.2%, Madu Nusantara 10.9%, and others at 7.9%. It provides a broader potential market opportunity to diversify honey products in Indonesia and abroad (TBI, 2020). The honey market share in Indonesia is currently controlled by large companies that have long been known to the public, including Madurasa, TJ honey, and Indonesian honey, each of which holds the top position in the honey market share in Indonesia. The advantages of this large-scale company include the production process according to drug and food research center (BPOM) standards, halal certification for MUI and Indonesia national standards (SNI), and getting a top brand award that has the opportunity to penetrate the international market. The above has shown the process in neo-institutional terms; the environment is conceptualized as an organizational field. The fields define the socially acceptable patterns of organizational structure and action (Kostova et al., 2008).

Several honey producers are apart from large-scale companies that already share the honey market from small and medium-scale honey companies that already hold their trademarks, including PT Madu Pramuka by Pramuka, PT. Suba Alam Muda by Sumbawa Honey and Perum Perhutani by Perhutani Honey (Sarah et al., 2019). Honey producers are still small and medium scale, with problems are limited raw materials for honey, operational activities not optimal; marketing is still weak, inadequate activities and promotions, and human resource development activities not been organized (Disa et al., 2015). Manufacturers generally sell their products mainly in domestic and overseas markets. Honey is sold mainly in liquid form, less often than the honeycomb in the market. The honey trade is not organized, so producers and consumers are satisfied. Retail prices are at or above the level of European countries. In recent years, interest in beekeeping has increased, so honey production and an increasing supply of honey and related products can be expected in the market (Zaric et al., 2013).

However, unfortunately, domestic honey consumption is still low at 10-15 grams/per capita/per year compared to other countries, including Japan, which has reached 200-300 grams/per capita/per year, which is the highest in Asia, while in the UK, Europe, and France it reaches 1000-1600 grams/capita /year (Fuah, 2019). This condition provides more comprehensive access for honey business actors to export, following international standards. The causes of low honey consumption in Indonesia include honey only being consumed as a supplement, the relatively high price of natural honey, lack of public purchasing power, and lack of knowledge about honey. API shows the magnitude of the potential for beekeeper cultivation with the consumption rate of honey between 7000-15000 tons/year, while the

domestic production of domestic honey has only reached 4000-5000 tons/year, so Indonesia is still experiencing a deficit of local honey between 3500-11000 tons/year. There is a gap between the supply and demand for honey (BPS, 2018).

From the explanation above, a large-scale producer that produces honey as a primary ingredient, namely PT Madurasa Unggulan Nusantara, the Madurasa trademark, which has a 61% market share in implementing its business strategy, has used (input-process-output-outcome) which involves a component of sustainable business development that considers value, social factors, and natural factors? In carrying out the company's vision of providing honey, which is very close to the importance and benefits of honey for humans, it is essential to determine quality standards and monitor them so that public and customer trust in the product and company will reflect its quality. For this reason, quality is a significant factor in every consumer product for health and cosmetics, which can have a negative impact if a quality strategy is not implemented starting from the input, process, and output. This research uses the new institutional economics approach to examine Indonesia's competitive strategy for halal honey products.

Literature Review

The concept of corporate management evolves, based on a comprehensive review of the academic literature on the meaning, components, and model of corporate management, uncovers the development process from the perspective of new institutionalism theory by introducing new mandatory components of the firm, namely, quality, start date, and product materials and providing insight into the company's development process (Otubanjo & Adegbile, 2019).

Eight product dimensions use to analyze product quality characteristics, including performance, additional features, conformity to specifications, durability reliability, aesthetics, perceived quality, and dimensions of ease of repair (Puspitasari et al., 2018). On the other hand, product quality reflects the ability of producers to carry out their duties, including durability, reliability or progress, strength, ease of packaging, and product improvement (Walukow et al., 2014). In other words, consumers will be satisfied if the evaluation results of the products used are of high quality. Quality products need to be considered various factors, including the form of design, quality, type of raw materials used, the manufacturing process, and the method of shipping and packaging (Nasution, 2015). Thus, the definition of *quality standards* is the minimum limit of a defined criterion to provide longer and broader benefits to a product or service to add value to the producers who produce the product.

As a country with a majority Muslim population, the values of Islamic teachings can be said to have attached to the daily life of the Indonesian people, both in the socio-societal and socio-political aspects. So all community activities must always receive guidance and guidance in the religious field, manifested in the form of giving fatwas (Hasan, 2014). Etymologically halal comes from Arabic, which means allowed, liberated, resolved, and dissolved. Halal is food and drink allowed for consumption based on Islamic religious provisions. The food here includes plants, fruits, animals, and land and sea animals that can be eaten. In comparison, a halal drink is anything that can be drunk except for drinks that can be intoxicating. The definition of halal food and beverage products in Article 1, number 2 of Law Number 33 of 2014 concerning the guarantee of halal products states that "*halal products are products that have been declared halal, based on the provisions of Islamic law.*"

Indonesia Ulama Council (MUI) halal certification requires obtaining a permit to include a halal label on a product's packaging. The purpose of halal certification for food, medicine, food, and cosmetic products is to provide precise and correct information to guarantee halal products for consumers. The notion of halal products is a spirit-specific ideology. It maintains the goodness in the input-process-output of the product to provide clarity and comfort to users or customers.

There are many variations on strategic planning, and textbooks contain much detail. David (2011), for example, covers the following steps: defining the vision and mission, conducting an external analysis, conducting an internal analysis, selecting the appropriate business-level and company-level strategies, implementing the strategy, and evaluating the effectiveness of these strategies before moving on to the next cycle. The classical analysis is a model of five forces, Porter (2008), that identifies five interrelated components: the bargaining power of buyers, bargaining power of suppliers, threats of substitute products, threats of new entrants, and competition in the industry.

Core competency is something valuable that the organization does better than other companies. It has been valid, and core competencies must be challenging to replicate. It has several significant core competencies and will have a competitive advantage, allowing it to stay in the industry in the long term. It does not have core competencies and cannot have a competitive advantage, which will most likely not last long. Most of what happens in strategic planning revolve around increasing core competencies to develop a competitive advantage (Rouridge & Khaliq, 2013). The old institutional economics thinkers as T. Veblen, followed by C. Ayres on institutions and technology, then JR Commons in the fields of law, property rights, economic organization, economic transactions, and income distribution, derived from the American institutionalist tradition, analysis of individuals and analyses were carried out separately of how the environment shapes individual behavior by indicators:

- a. A developing economy will run lower if there are rules for competition
- b. Humans as rational and emotional beings with feelings, tastes, values, and tendencies.
- c. There is a tendency to influence economic transactions humans.
- d. Economic choices are influenced by the environment and technology
- e. The economic world is closely related to historical, social, and institutional factors

The new institutional economics thinkers are Adam Smith, JS Mill, Karl Marx, Marxian, Austrian school (Menger, von Wieser, Hayek, Schumpeter), and neoclassical (Marshal Williamson). They started to develop in the 1930s, attached to classical economics, also called mathematical institutional economics, theoretical, institutional economics, modern, IE, and neo-institutional economics. Set out beyond the neoclassical framework to answer riddles in the neoclassical. The object of analysis is the organization as an essential actor and how the institutional setting affects the organization by indicators are:

- a. The regulative pillar works in rules of context, monitoring, and sanctions. These institutions are also called regulative institutions and rational choice institutions.
- b. Normative pillars, norms produce prescriptions, are evaluative, and emphasize responsibility in social life. Normative and historical institutions are often called "*original institutional*" theories.
- c. The cultural-cognitive pillar that humans behave in is determined by how they interpret the world and its environment.

The new institutional economic paradigm is economics seen from the institution as a system that plays a vital role in shaping an efficient economy. There are two types, namely, the old institutional economy and the new institutional economy. For this reason, institutional economics discusses how to use a new institutional approach in studying organizational sociology so that its theoretical roots come from cognitive, cultural, phenomenology, and ethnomethodology. Thus, Scott (2014) describes the three pillars of a new institutional approach: the regulative pillar, normative pillar, and cultural-cognitive pillar. The point is to explain that humans will behave and be determined by the extent to which they interpret the world and its environment.

Given Williamson (2000) in explaining four new levels of institutional economy, namely

1. **Level 1:** Social theory, which is an informal rule attached to society, such as traditions, religion, norms, customs, and dependencies, so that on this level, is influenced by economic history and social knowledge and has implications for slow, spontaneous, and natural change.
2. **Level 2:** Institutional environment that emphasizes ownership and rules of the game, such as law, politics, and bureaucracy, where property rights and contractual rights occur, which are rights and obligations or lead to an institutional economic environment.
3. **Level 3:** Governance structures that emphasize contracts and transactions, but necessary property rights, including law and protection, also consider or lead to economic governance structures.
4. **Level 4:** Resource efficiency and incentive structure: marginal factors are developed in the production function or towards marginal economic conditions.

The figure below shows that four levels illustrate the transformation to a new institutional economy with more efficient, marginal, and sustainable characteristics in the third-order economic condition.

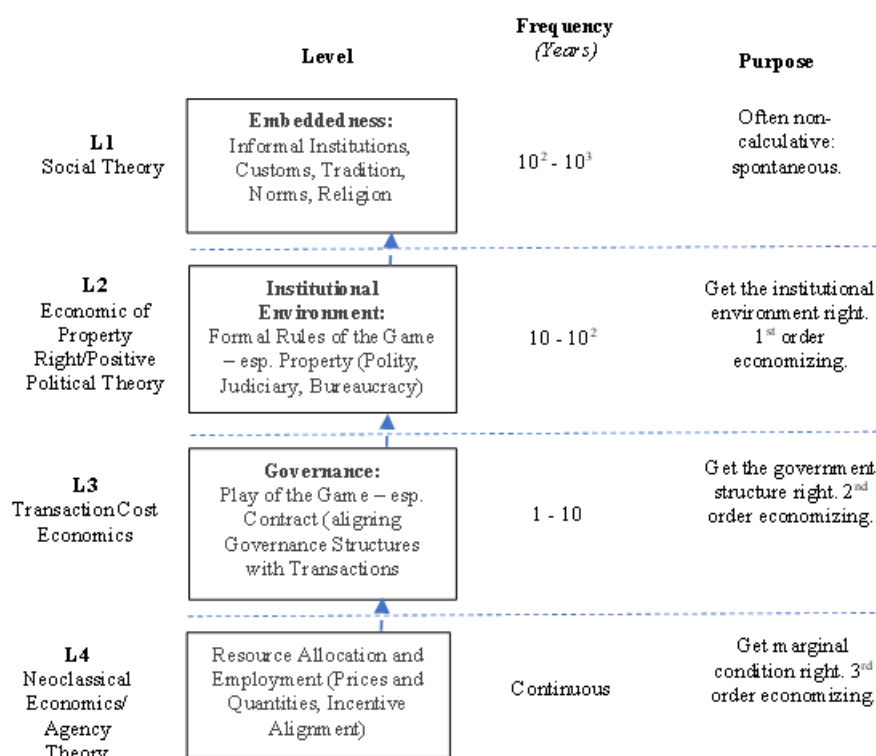


Figure 2.1. Four Levels of New Institutional Economics (Williamson, 2000).

Thus, there is a gap between the old and new institutional economies, where both use institutional instruments as a comparative advantage. However, institutional economics has more roles and responsibilities: the environment, humans, and sustainable development.

Williamson's approach to market and hierarchy concerns social action, underscoring the similarity of his theory to sociology. The unit of analysis is a transaction understood as a bilateral relationship. Its execution resulted in transaction costs, some of which were particular investment transactions. Transaction costs are related to incomplete information or uncertainty and limited human cognitive abilities with limited rationality; particular investments and incomplete information invite opportunism (Richter, 2015). The obligation for development activities will impact both the input and output of the output and volume, so it is essential to construct a construct so that each unit that is processed and produced does not run out but rather prepares the subsequent input-output. Sustainable development argues that this concept provides a context for sustainability with cutting-edge thinking of green development that is difficult to realize, with an example of factory construction accompanied by waste treatment technology that requires high maintenance costs and is sustainable using limited financial resources.

The definition of *sustainable development* is a development that aims to meet the current and future needs of society without neglecting the ability of future generations to meet their needs so that it becomes a process of change with the use of resources towards investment, development orientation, and institutional change (Budihardjo, 2010). Then Rahardian (2016) sees that sustainability must understand economic sustainability, which is defined as a development process capable of continuously producing goods and services to maintain sustainability and avoid sectoral imbalances. Thus, sustainable development can be interpreted as an activity carried out personally or corporately by prioritizing resource sustainability to increase productivity and maintain the existing balance. With the above conditions and problems, this paper aims to determine the strategy of Madurasa producers towards quality and halalness and how Madurasa producers as corporations carry out strategies with a new institutional economic theory approach.

Research Method

Within the framework of a post-positivist perspective, this research utilized a qualitative methodology and a case study research model. According to Yin (2004), a case study is an empirical study that investigates present conditions in real life. This type of study is conducted when the boundaries between symptoms and settings are not proven, and multiple sources of evidence are used. Because the researcher wished to get a clear and in-depth description of the organizational response in the honey production process at P.T. Madurasa Unggulan Nusantara, the case study model was chosen as the research methodology.

According to Setioko (2011), a qualitative approach with the case study method is used if the research aims to get a clear and in-depth description of an event whose nuances are very thick with place and time. This strategy is used when the research tries to get a clear and in-depth description of an event whose nuances are very thick with place and time. The post-positivist paradigm was selected because, in comparison to the positivist paradigm, it is more likely to result in a more profound comprehension of a social reality that is pluralistic and complicated. The strategy utilized is a descriptive qualitative literature study method to gain an understanding of the issues that are present. The data is collected through literature in books,

research articles, documentation, and official reports. In order to analyze the data, triangulation was utilized, which included collaborative data stages, data reduction, data presentation, as well as data verification or conclusions.

Finding and Discussion

PT Madurasa Unggulan Nusantara will carry out its business future with a guaranteed product and market confidence with certificates for Halal, GMP, GPFPP, and Top Brands Award as a result of the business sustainability achieved through efficiency and price formation over the long term. It affects society and the environment, as evidenced by the promotion of health education, the production of nutritious foods and beverages, the utilization of honey to improve the stamina of medical employees during the Covid-19 period, and the organization of educational competitions for students.

According to this study, the company has been able to place itself at level four, which indicates efficient resources, incentives, profit factors that will be utilized in production, and a broader economy of scale, as level 4: resource efficiency and incentive structure: marginal factors are developed in the production function or towards marginal economic conditions. On the other hand, Nugraha (2017) discovered that the expansion strategy of the Trigona honey farmers was influenced by both internal and external variables of the honey farmers' businesses. The lowest score for the strength of internal variables in the marketing and marketing segments is 0.52, and the lowest score for the weakness in the post-harvest process is 0.22. Both of these scores are shown below. Food availability has the most significant probability among external variables, with a value of 0.76, followed by weather and climate change, with a value of 0.42. An intensive strategy in market penetration, market expansion, and product development is listed in Quadrant IV as the business expansion strategy for Trigona Honeybee. This strategy is intended to grow and create a strategy for this particular business. PT. In 1984, Madurasa Unggulan Nusantara pioneered the packaging of labeled honey in Indonesia, becoming the country's first company to do so. Madurasa murni, madurasa premium, madurasa original, madurasa jeruk nipis, and madurasa kurma are some of the product variants released by producers of Madurasa from healthy and nutritious honey that have received Top Brands every year since 2009. To achieve its goal of reliability, the company is steadfast in its dedication to quality, and each step of the manufacturing process must be carried out in such a way that the factors of price, customer satisfaction, and quality all take into account the long-term viability of the business. For this reason, a certificate of Good Manufacturing Practices (GMP) or ISO 9001: 2015 is awarded, which demonstrates the quality of the company in carrying out the production process since the raw materials are prepared, then a selection is made to be carried out in the process after that the results, and then monitoring of the quality itself is carried out. This process begins with preparing the raw materials until the final product is produced.

According to the findings of this research, researchers recently suggested that new institutional practices reflect settlements by organizations of how these solutions are negotiated. These results explain why (Helms et al., 2012). Based on formal negotiation studies and an agreement reached on ISO 26000, as well as the testing of organizational settlement models applied to novel institutional practices. According to the findings, logical pluralism plays a vital role in the organization and the crucial role of the organizational negotiation framework in determining the settlement and the development of new institutional practices, respectively. In order to ensure that the nutritional value of the product, both before and after the production process, is maintained optimally, the business

needs to be awarded a certificate of Good Processed Food Production Practices (GPFPP) or ISO 22000: 2005.

Honey is a processed food product, which is particularly important as one of the larger companies that process food products. The awarding of this certificate aims to demonstrate how thoroughly and precisely the business processes its food to keep the level of nutritional value and the standard of the products it manufactures consistent. The halalness provides value for the goodness and benefits of the honey contained and keeps it up to consumers. All variant products issued have received halal certification from the Indonesian Ulama Council (MUI) with registration number 00120075390116. With a wide variety of product variants produced, this halalness provides value for the goodness and benefits of the honey contained. It is crucial for Muslims and the goodness of the universe that halalness maintains equilibrium and quality of life. It can be accomplished through clarity and calm.

Institutional theory is hypothesized to describe the factors that motivate businesses to implement halal food certification. (Ab Talib et al., 2016). On the premise of this, there is the possibility that the application of halal food certificates will encourage the practice. According to institutional theory, the implementation of halal food certification is subject to the following three isomorphic pressures, which are as follows:

- a. The pressure from the influence of enforced regulation and action to acquire business legitimacy is a coercive isomorphism.
- b. The pressure that results from the need to conform to industry standards, particularly the pressure that consumers exert, is known as normative isomorphism.
- c. An act of survival in an unpredictable environment, artificial isomorphism compels businesses to model their operations after those of their most successful rivals.

The obligation lying with the company (PT) from a quality and halal standpoint, Madurasa Unggulan Nusantara, is at the forefront of the honey market share in Indonesia. It is accomplished by assuring customers that the product variants they purchase have satisfied product requirements and by maintaining the nutritional value of honey itself. As a result, the company's commitment to this cause has a high potential for long-term investment value. Not only on products and customers but also on maintaining the balance of nature; consequently, given the significance of maintaining the balance, economic and social development objectives must be followed sustainably (Fauzi & Oxtavianus, 2014). Even though many people know that honey has many positive effects on one's health and that it is healthy to consume, as a large business that processes honey into several different product variants, it is not simple to educate the public. It is possible that drinking herbal medicine is less common or that there is a lack of purchasing power; however, the company has a solid commitment to continue educating the public, either directly or indirectly, about the knowledge and awareness of the importance of honey.

Even though the consumption of honey in Indonesia is still low, it is possible that the habit of drinking herbal medicine is less common or that there is a lack of purchasing power. Regarding the information that can be found on the official website (www.madurasa.co.id), the subject matter is about honey, how honey is obtained, and what it includes, as well as an explanation of each product variant, its packaging, logo, and nutritional facts. The information that is presented pertains to honey as well as all details regarding the various products manufactured. This business offers articles and advice about health combined with honey-based ingredients to provide knowledge and awareness of the importance of maintaining

one's health and engaging in healing and therapeutic efforts. In addition, the awareness of consuming food or drinks with honey is spread through articles on processing food or beverages with honey. As one of the raw materials, customers are educated to use honey to process food or beverages. It raises awareness of the benefits of consuming food or drinks with honey.

It has been explained that each Madurasa product is readily accessible in various locations such as minimarkets, supermarkets, pharmacies, and e-commerce websites. This information comes from the marketing aspect of the coverage of Madurasa product variants, which can be found in the previous sentence. Therefore, acquiring various Madurasa product variations is simple and inexpensive whenever and wherever it is. Customer service is available as a commitment to the customers as a place where all customers can respond or provide input to the business to provide feedback that customers anticipate and that the company provides to maintain and produce products of a higher quality. Customers who discover injury or loss to their products while on the market can file a complaint against the product, and the nearest distributor will respond to those customers.

PT. has successfully implemented its approach of building corporate partnerships and networks because PT. Madurasa Unggulan Nusantara collaborates with PT. In order to process and produce the herbal medicine, Air Mancur must first produce herbal medicine before incorporating honey into the process. Honey and herbal medicine are considered the same in Indonesia; many people believe that "there is herbal medicine, there is honey" when referring to their top choice for health treatment. One of the social commitments, Madurasa, has helped health medical personnel offer pure honey to support stamina as health workers, which is particularly important given the pandemic caused by the Covid-19 virus. They are holding inter-school competitions in academic and language activities, which involve students because, at the school age, nutrients and vitamins are required during their growth period in order for them to have better concentration and memory for their lessons.

Creating awareness and concern for the surrounding environment or, more generally, for the world at large is one of the signs that a company is creating a business with a long-term outlook. It will provide recommendations for stakeholders, such as the government, society, and customers, to positively affect the world's current conditions. This business has contributed to the community and health workers. However, unfortunately, natural resources have not shown their direct contribution to implementing the environmental sector, either in rehabilitating forests that are typically adjacent to beekeepers or in maintaining the environment's quality. It is the case for the rehabilitation of forests and the maintenance of the environment's quality. In most cases, the bees will choose to settle and produce honey in a location conducive to large-scale production.

According to Zanten and Tulder (2018), Sustainable Development Goals (SDGs) provide a framework in which companies are asked not only to adapt to the policy agenda in the form of universal goals with specific local adaptations but also to create new institutions internally and engage with the SDGs, in order to avoid negative impacts on sustainable development. In other words, this business activity needs sustainable development. To safeguard the environment through sustainable development through bees as the primary source of honey. It means that every economic activity generated by bees will return to improving the environmental quality of the bees themselves in order to make them more productive when it comes to producing more bees. The identification of common themes in which bees played an important role and the suggestion that a better understanding of the contribution of bees

to sustainable development is necessary to ensure viable bee systems were both products of the identification of common themes in which bees played an important role (Patel et al., 2021).

P.T. Madurasa Unggulan Nusantara, which is implementing business strategy, has reached level 4 according to the novel method of institutional economic analysis proposed by (Williamson, 2000). (four). It was supported that strategy as practice and neo-institutionalism offer alternative approaches to studying what organization actors do, shared cognition, and the role of language in creating shared meanings. These approaches can inform each other and offer significant learning for organizational studies (Suddaby et al., 2013). Since Madurasa production, the formation of resource efficiency has been distinguished by a distinct and thorough division of responsibilities for each task. Beginning with obtaining pure honey from beekeepers, then filtered with water content before being put into a decomposing machine or pressed to produce pure honey liquid simultaneously. At the same time, some of the honey is produced as pure honey. Meanwhile, the rest is used as an advanced raw material. Variations other than pure honey contain additional components, and their packaging and branding are distinct. Additionally, the use of human resources is present in all departments, including marketing.

Prices or incentive structures can produce marginal factors in the production function or move the economy toward marginal conditions. It is because of the efficiency that was achieved, allowing the advantages to be distributed to all priority areas. As a result, problems with quality assurance and guarantees of halal products are now officially issued by other independent public institutions.

A new method based on the developmental economic theory is utilized in the execution of the corporate allocation strategy. In the long run, it will create a wider market opportunity, coupled with an increase in the quality of cooperation with small and medium honey breeders in nature conservation as a source of life for bees whose primary product is honey. This will ensure that this business consistently applies certification and market trust.

Conclusion

This study evaluates the dedication of honey companies in Indonesia to product halal and halal certification as quality standards to meet the requirements of domestic and global markets. Additionally, the study evaluates the efforts made by honey companies to produce quality products in the interest of achieving sustainable development.

Honey products are part of a healthy lifestyle and traditional medicine that is in high demand by many people; it is important to maintain the goodness and purity of honey so that producers do not compete to maintain its authenticity from raising bees to processing to marketing honey products.

Because manufacturing companies in Indonesia are becoming increasingly important to the economy, a new institutional economic strategy has been developed as the foundation upon which they can continue to uphold the commitments and quality standards they have made for their products domestically and internationally. Because of this, the participation of organizations that certify products as kosher is necessary to create a sustainable market. About the findings of the research carried out in this study, as following:

- a. P.T. Madurasa Unggulan Nusantara is a honey producer company with Indonesia's most significant market share. The company's various product variants have received

- Halal certifications, GMP and GPFPP certifications, and the Top Brands Award, representing a product guarantee and public confidence.
- b. The business PT Madurasa Unggulan Nusantara implements a strategy for honey production by utilizing a new institutional economics approach. This strategy is implemented at the fourth level (economic conditions), specifically at the stage of the formation of efficient resources, price formation, marginal structure, and business sustainability.
 - c. The purity and authenticity of honey products should be a primary focus for producers and consumers to create sustainable markets on a domestic and international scale. These markets should be based on cooperative relationships between bee farmers and honey producers that benefit both parties.
 - d. The participation of halal certification organizations and product quality standards is mandatory because it is necessary to preserve the quality and authenticity of honey products as an essential component of sustainable development.

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