UNIVERSITI TEKNOLOGI MARA

A MODEL ON PERCEIVED CONSUMERS' PERCEPTION TOWARDS MOTIVATION TO PROVIDE HALAL TRANSPORTATION SERVICES

NOR WAZIRAH BINTI RADZMAN SHAH

Thesis submitted in fulfilment of the requirements for the degree of Master of Science (Transport and Logistics)

Malaysia Institute of Transport (MITRANS)

October 2019

ABSTRACT

The definition of Halal has expanded from the basic of goods/products based, to the logistics services, supply chain management, premises/restaurants, cosmetics, pharmaceuticals, hotel, and even tourism. Due to this scenario, the need to provide Halal transportation services as an important medium of transporting goods from one point to another, especially in the logistics industry is seen as a golden opportunity for the conventional service providers. To date, the adoption of Halal transportation services in Malaysia is low because of the misleading concept of Halal logistics. This study proposed a theoretical framework of a model on perceived consumers' perception towards motivation to provide Halal transportation services, consisting the influencing attributes, the debated disputes and the suggested initiatives from the perspective of the end consumers. To collect the data, a set of questionnaires was conducted using an online service of Google Form to the respondents. A total of 177 respondents participated in this study. Descriptive statistics, multiple linear regression, and correlation were employed to analyze the data and examine the relationships between predictor variables (IVs) and the outcome variable (DV). The findings of the study reported that four out of seven predictor variables namely networking (client) relationship, business trend, disputes, and initiatives are crucial and contribute significantly towards the motivation to provide Halal transportation services from the perspective of end consumers. Finally, the results revealed that the motivation model is impacted by the three segments: (i) influencing attributes (networking (client) relationship and business trend), (ii) debated disputes and (iii) suggested initiatives. This study has made a significant contribution to the theoretical, methodological and industrial knowledge by developing the first comprehensive model towards motivation to provide Halal transportation services as perceived consumers' perception by identifying the three segments (attributes, disputes, and initiatives) to the model. The findings of this study provide a profound knowledge and guidelines base on the transportation activities in the Halal services and could offer useful insights for industry players, consumers, policymakers, researchers and academicians in embarking it into applications in Halal logistics industry.

ACKNOWLEDGEMENT

Bismillahirrahmanirrahim, in the name of God, the Most Gracious, the Most Merciful. Alhamdulillah, praise to Allah The Almighty for giving me the 'rezeki' to embark on my master's degree and for completing this long and very challenging journey under the supervision of Dr. Shahrin bin Nasir, Dr. Harlina Suzana binti Jaafar, and Pn. Azlina binti Muhammad. I would like to thank them personally for guidance and continuous supports. Not to forget, my appreciation goes to the management and members of MITRANS, that have assisted and provided me with good facilities along the way.

Special thanks to my teammates (the HSC batch), colleagues and friends for helping me out during this journey. My deepest gratitude goes to my beloved mother;

siblings and family members for their prayers, love, and supports for all this while. Jazakallahu Khayran.

Finally, this thesis is dedicated to the loving memory of my late father; En. Radzman Shah bin Saidin, for his endless love and believes in me for everything that I do. This piece of victory is dedicated especially for you Abah.

For those who are directly or indirectly were there and never leave, thank you so much for your kindness. May Allah bless every one of you, in this world and hereafter, ameen.

TABLE OF CONTENTS

		Page
CON	ii	
AUT	HOR'S DECLARATION	iii
ABS	iv	
ACK	v	
TAB	LE OF CONTENTS	vi
LIST	xii	
LIST	OF FIGURES	xiv
LIST	OF ABBREVIATIONS	xv
СНА	PTER ONE: INTRODUCTION	1
1.1	Introduction	1
1.2	Research Background	1
1.3	Scope and Limitations	3
1.4	Research Setting	5
1.5	Problem Statement	6
1.6	Research Objectives	8
1.7	Research Questions	9
1.8	Methodology Used in This Research	9
1.9	Novelty and Significance of the Research	9
	1.9.1 To the community	11
	1.9.2 To the industry	11
	1.9.3 To the country	11
1.10	Structure of the Thesis	12
1.11	Chapter Summary	13
СНА	PTER TWO: LITERATURE REVIEW	14
2.1	Introduction	14
	2.1.1 Service Industry in Malaysia	15

	2.1.2	Overview of Logistics Service Industry in Malaysia	16	
2.2	Halal Industry in Malaysia			
	2.2.1	Halal Logistics	21	
	2.2.2	MS2400 - 1: 2010 Management System Requirements	for	
		Transportation of Goods and/or Cargo Chain Services	24	
	2.2.3	Measuring Halal Critical Control Points	24	
2.3	Motivation to Provide Halal Transportation Services			
2.4	The Emerging of Halal Transportation Services and its Potential			
	2.4.1	Readiness of the Company	31	
	2.4.2	Networking (Client) Relationship	31	
	2.4.3	Government Support	32	
	2.4.4	Business Trend	33	
	2.4.5	Customer Service	33	
2.5	Debated Disputes in Halal Transportation Services			
	2.5.1	Lack of Enforcement	34	
	2.5.2	Low Level of Awareness	34	
	2.5.3	Inadequate Facilities	34	
	2.5.4	Expanding Cost	35	
	2.5.5	Time-Consuming	35	
2.6	Suggested Initiatives to Improve Halal Transportation Services			
	2.6.1	Training and Consultancy	36	
	2.6.2	Campaign and Program	37	
	2.6.3	Dialogue and Knowledge Sharing Sessions	37	
2.7	Theoretical Foundation of the Research			
	2.7.1	Maslow's Needs Hierarchy Theory	38	
	2.7.2	Supply Chain Management Theory (SCM)	38	
	2.7.3	Vroom's Expectancy Theory	39	
2.8	Devel	opment of Theoretical Framework	40	
2.9	Identif	lentification of Research Gap		
2.10	Summ	ary	42	
СНАІ	PTER T	THREE: RESEARCH METHODOLOGY	43	
3.1	3.1 Introduction			