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Contents

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We also invite you to check out Florida Medical Tourism on facebook and enjoy the most beauitful photo albums there.

We look forward to serve you here in the US and around the World.

Thank you

Dr. Adel

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Other than the changes above the proceedings have not been edited. They are an indicator of the authors' interests and research skills. As such they can be used as bases for promotion, postgraduate applications, and other relevant uses. Many of the presentations related to these papers will be available on a special channel on YouTube where they can be viewed and downloaded for free.

The Egyptian Revolution 2.0: Roots, Causes, & Impact Of Social Media

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Since mid-December 2010, consecutive initiatives of successful revolutions took place in the Arab and Muslim World. The revolutions in the three neighboring countries in North Africa, Tunisia, Egypt, and Libya, initially succeeded. The four week Tunisian revolution succeeded by overthrowing the twenty three year ruling of former president Bin Ali on January 14, 2011. Eleven days after, the Eighteen day Egyptian revolution started and ended up with forcingformer president Mubarak to step down after ruling Egypt for thirty years on February 11, 2011. Six days after, the eight month Libyan revolution started and lost more than fifty thousand Libyan lives until they freed the Libyan territories from former president Gadhafi forty two year ruling on October 20, 2011.

Given the newness of successful and pending revolutionsin the Arab and Muslim world and their significant impacts on recent global political changes, there is little research that documents and explains the causes of these successful revolutions. So, there is a dire need to explore such phenomena. This research proposes a framework and explores the roots, causes, and impact of social media on the eighteen day Egyptian revolution 2.0. Figure 1 presents a framework to reflect on the roots and causes and mediating variables of Egypt Revolution.

Figure 1 is about Here

First, the roots and causes refer to governance indicators that led to the revolution in Egypt. As shown, eight precedent inputs feed into the mediating and consequence stages. Precedent variables include: past demonstrations and protests, lack of political freedom, fabrication of recent election results, government, police oppression and brutality, social injustice, unemployment and poverty, and government corruption, and successful revolution in Tunisia. According to Attia et al. (2011), the basic premise is that when a particular country has negative governance indicators, there is a higher probability that people of this country will come against the government. Kaufmann et al. (2010) reflected the negative governance indicators for Egypt as a country.

Resembling political changes in Eastern Europe and the USSR in the late 1980s, anger and frustration with corrupted and unresponsive political systems led to the fall of once powerful regimes in Tunisia, Egypt, Yemen, and Libya (Goldstone, 2011). It is very important to carefully look at the roots, causes, and precedent variables of the Egyptian revolution, including past demonstrations and protests, government and police oppression and secret service brutality, lack of political freedom and no freedom of speech, fabrication of recent parliamentary election, government corruption, social injustice, high level of unemployment, poverty and poor living conditions, and the successful revolution in Tunisia (the Tunisian President fled the country eleven days prior to the start of the eighteen day Egyptian Revolution).

Egyptians were fed up with thirty years of government corruption and imposed emergency laws by ex-president Mubarak. The elected local Council members who were supposed to represent their neighborhoods were elements in the corruption machine of Mubarak political ruling party (El Deeb, 2011). The living conditions for the average Egyptian remained poor. Twenty percent of the population lived below the poverty line (Central Intelligence Agency, 2011). Besides poverty, Egypt had many other social problems such as high unemployment, income inequality, poor education and high rates of illiteracy (Dabrowksi, 2011).

In the last few years, anger and dissatisfaction of Egyptians with their government over different issues has been gradually escalating overtime. According to Attia et al. (2011), and Shapiro (2009), the roots of the revolution came from past demonstrations, including the demonstrations against the Israel's 2008 aggression against Palestinians in Gaza, protesting the government diplomatic relationships with Israel, the exporting of natural gas to Israel, and the tightening or closingof Egypt borders with Gaza (Attia et al. 2011; Shapiro 2009), the massive demonstrations in the city of Mahalla in 2008 that left three dead (Eltahawy2011), and consecutive demonstrations against the killing of young activist Khaled Saidwho was beaten to death by police in public for posting a video on the Internet about police divvying up a drug bust(Snider and Faris, 2011).

In the last two years, there have beenmany demonstrations and protests that did not have high turnouts, but demonstrations were growing in popularity to call for human rights, more political freedom, political reform, termination of emergency laws, stopping government plan to appoint Jamal Hosni Mubarak, President Mubarak son, as next president, social justice, more jobs, and better economic conditions. These demonstrations were faced with more escalation from the Egyptian government, police, and secret services' abuse and brutality.

Opponents of Hosni Mubarak had no opportunity to actively participate in Egypt political life.In the most recent and only presidential election that took place, Mubarak won with a big margin after complete fabrication of results. Prior to this presidential election, there was referendum on the existing president every five or six years. Consistently, after fabrication of election results in the 2005 Parliamentary election, the Muslim Brotherhood won 88 seats out of 454 total seats. Most recently, in the late 2010 (October- November) parliamentary election, the Muslim Brotherhood won zero seats, which was a major question mark on the complete fabrication of the parliamentary election results. That left Egyptians with complete hopelessness in the political system to lead to political reform.

Second, the mediating variables would be defined as perceived importance of social networking tools in facilitating the revolution in Egypt. Social media facilitates communications among people around the world. Recently,the social networking tools such as Facebook, Twitter, and YouTube, were excessively used in organizing uprisings and protests in countries such as Iran, Pakistan, Spain (Attia et al. 2011; Shaheen 2008), Egypt, Tunisia, Syria, and Yemen (Attia et al. 2012). In Egypt, thousands of people used Facebook in order to share the latest information about the country conditions and call for protest in Tahrir Square and other parts of Egypt. Social networking tools such as Facebook, Twitter, and You Tube facilitated the revolution in Egypt through exposing the Egyptians to the revolution antecedent variables, motivating them to revolt, and creating a positive attitude toward change in their minds, which reflected on a positive behavioral intention that turned in actual aggregate behavior (revolution).

Social media played a very important role in the Egyptian revolution. Technological advancement brought up a new way of communication and therefore raised awareness of government oppression and corruption. Egyptian youth growing concerns about police brutality and their willingness to speak out, even though it was dangerous, prepared the base for the uprising on January 25, 2011 (Lesch, 2011).

Looking at the consumer behavior literature, two models are very prominent and relevant to explain the Egyptians' behavior in the revolution: IMB model and TORA model. According to Glasford (2008), the IMB (Information, Motivation, Behavior) model states that performance of a given behavior is based on the individual`s information, motivation, and behavioral skills related to the behavior. According to the IMB model, information is an initial prerequisite for performing a given behavior. In Egypt, people provided and shared information related to police brutality and government corruption through social media to inform them about what was going on in Egypt and Tunisia.

Motivation to participate in the demonstrations led to positive attitude toward change. According to Attia et al. (2012), as reflected in the Theory of Reasoned Action (TORA model), attitude leads to behavioral intention, which in turn leads to actual behavior. According to Attia et al. (2011), Egyptians positive attitude toward change and demonstrating led to a positive behavioral intention, which in turn led to an aggregate actual behavior (the revolution).

Information related to past demonstrations and protests, lack of political freedom, fabrication of recent election results, government, police oppression, and Egyptian police brutality, social injustice, unemployment and poverty, and government corruption, and successful revolution in Tunisia, led people to think about their lives and determine their future. Social network tools, such as Facebook, Twitter and Youtube, facilitated spreading information and simplified the communication process among protesters. People were provided timely information about current issues regarding situation in their country and continued to communicate even when the government cut the Internet and blocked out social media.

Social networking impacted behaviors of Egyptians. Looking at the reasons of revolution, it can be said that tools such as Facebook and Twitter played a mediating role in the uprising. It just facilitated people`s desire to bring change to their country, by reflecting on positive attitude toward change, that reflected on positive behavioral intention, that translated into the aggregate actual behavior of political change, the revolution (Attia et al. 2001; Attia et al. 2012). This is a good application of the TORA model (Hoyer and MacIinnis 2010).

Facebook, LinkedIn, Youtube facilitate spreading word of mouth. In the Egyptian Revolution, people started to use these social networking tools in order to share current information about what was going on in their country. Even when the Internet was blocked, Egyptians found other ways to communicate. Why do Egyptians believe the information sent through social networks? People perceived information as credible (Brown et al. 2007) because that information is sent by those who are like them. The social network literature shows that variables such as trust, loyalty, value, relationships, and word of mouth have an impact on people behavior (Attia et al. 2011).

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Post-Egyptian Revolution 2.0: Consequence Variables & Role Of The Muslim Brotherhood

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The recent changes in the Muslim World had significant impacts on the global political dynamics. The social networking tools provided a great opportunity to communicate and facilitated social and political changes in the Arab World (Attia et al. 2011; 2012). The Egyptian revolution was conducted by collective efforts of different political and civil organizations with different religious, secular, and political affiliations. Although the leadership of the Egyptian revolution is not claimed by any single party, ideology or group, the Muslim Brotherhood, the major organized opposition in Mubarak era, had participated very positively and significantly to the political changes prior, during, and after the revolution. It joined a coalition of diverse opposition groups composing of political organizations with nationalist, secular, leftist, and civil orientations. The Muslim Brotherhood formed a new Freedom and Justice Party, which is an analogue to Turkey Justice and Development Party headed by the Prime Minister Erdogan(Bayat, 2011), which explains why the director of US National Intelligence labeled the Muslim Brotherhood as largely secular(Rosenthal 2012). Later, in Egypt, there have been disagreements between different political parties with different orientations and ideologies, which is a normal step toward real freedom and democracy.
There is little research that documents and explains the causes and consequences of these successful revolutions in the Muslim world. So, there is a need to explore such phenomena. This research provides a detailed and in-depth discussion of the consequence variables of the eighteen day Egyptian revolution 2.0 with shedding some light on the role of the Muslim Brotherhood in Egypt political scheme and Egyptians' lives. The consequence variables, which are the objective outcomes of the revolution observed by people after the revolution took place, include:

1. Citizenship: Post the January 2011 revolution,Egyptians have been working hard to symbolize their citizenship and to be true citizens through participating effectively in the political, economic, and social life, more specifically in the parliamentary and presidential elections at the end of 2011 and first part of 2012. They stood strong against the Mubarak loyalists in different government branches and authorities, including the Police, media, legal, and military, who tried to gain power back. Empowered and facilitated by social media, the Egyptian revolters have been putting a lot of political pressure, demonstrating, and symbolizing their political activism and participation that resulted in the revolution contestant President Morsi coming to power and ending sixty years of military rule.

2. Political Awareness, Interest, Participation, and Activism: Egyptians went through and continue to go through processes following the AIDA model (Attention, Interest, Desire and Action). Egyptians started to gather information about political parties, political rights and political systems, and be politicallyengaged in the Egyptian political system. Interest led to people` desire to participate in the Egyptian political life. People`s desire is ultimately leading to political action. Egyptians' political activism leads to democracy and freedom of speech.

3. Freedom/voices: Egyptians democratically elected their first parliament in January 2012, advisory council in March 2012 and president in June 2012. Now Egyptians are looking for a new constitution.After seeing trends of the Mubarak loyalist presidential nominee Shafiq losing to the revolution presidential contestant and Muslim Brotherhood candidateMorsi, both the Army Supreme Council and the former President Mubarak loyalists in the Egyptian Supreme Court System dissolved the newly elected parliament in mid-June 2012 and took away so many authorities from the newly democratically elected President just days away from the Presidential election. According to Ernesto (2012), after winning the Presidency, the powerful President Morsi tried to legally re-instate the newly elected parliament but did not succeed. However, in mid-August, he ended the military rule of Egypt with returning full power to civilians.
4. Security: Under sixty years of military rule, Egyptians have been living in a society where one cannot express his or her thoughts, feelings, opinions, and voices basically because he or she might be imprisoned, tortured, or killed. Poverty has been increasing with families cannot afford themselves to buy even basic food. A large number of well-educated and talented Egyptians cannot find jobs. These are all major signs and symptoms of insecurity that would affects the country`s overall security, and this in turn, impacts regional and global security respectively. Therefore, the newly democratically elected Egyptian authority and civilians should work shoulder to shoulder in order to regain security that brings stability.

5. Economic Stability: The economic condition in post-revolutionary Egypt is extremely important. The flow of new foreign investments to the Egyptian economy has decreased due toinstability (Ruth, 2011). Millions of tourists canceled their trips to Egypt due to political instability and uncertainty. 10% of the Egyptian economy depends on revenues coming from the tourism industry. However, the Muslim Brotherhood gives support to the private enterprise, the stock market, and a positive interaction with the global economy. They also want to attract as many investors as it possible and they want to direct these investors toward industries, agriculture, and information technology in order to create employment (Fam et al. 2011). So there is a great chance of some of the liberal economic policies of the recent past being revived (Egypt Country Report2011). In addition,withEgypt power transfer from military to a civilian rulein mid-August 2012, the

Egyptian Stock Market reacted positively and the foreign direct investments are expected to flow with more stability. President Morsi is seeing the successful Turkish economic reform as a positive model that revived the Turkish Economy.

6.Social justice: Egyptians fed up with poor conditions and quality of life requires social justice. This is one of the major controversies and challenges that the Muslim Brotherhood and its government leaders are facing: recent court rulings of innocence of prior regime leaders after disappearance of all significant documents and proofs that should have indicted them. The corruption is rooted into the government systems, including police forces. Time is needed for the cleansing of this corruption.

7. Youth Employment and Higher Education Reform: There is 25% of unemployment among young Egyptians (Schumpeter, 2011). It is a very concerning number. The education sector needs change due to its being outdated. National university systems are overcrowded and underfinanced. These universities teach outdated curricula and do not have much linkage with industry. The Egyptian government has to come up with new employment programs in order to provide jobs to youth. Otherwise, young people would spend their energy in organizing new uprisings and protests. However, economic reforms take time and patience is needed.Today the universities are organizing their own private securities and hold free and open elections for student unions regardless of their points of view (Lindsey, 2011). Recently, Egyptian university presidents and deans are elected, rather than appointed by the government (after approval from secret policeensuring that they are regime loyalists).

8.Subsequent Revolutions and Political Reforms in Other Arab & Muslim Countries: The revolutions in the Arab world are uprisings for dignity and freedom. Arab citizens are hungry for political empowerment and instilling popular sovereignty rather than elite corrupt rule full of corruption, abuse of power, nepotism, and absence of the rule of law and political transparency (Hashemi 2011). One of the key outcomes of the Egyptian revolution is the subsequent revolutions and political reforms in Libya, Yemen, Syria, Bahrain, and Jordan.

9.The Anti-Revolution Forces in Egypt: Mubarak thirty year presidency made the old regime with all its corruption and negative attributes (e.g., lack of or no political freedom, social injustices, and police oppression) deeply rooted in the Egyptian society and the government units with more than six million employees in the civil service, two million in the police forces, and about half million in the military forces. This is the most difficult and negative outcome and challenge of the long-term successes of the Egyptian revolution. The Army Supreme Council was orchestrating the scene, stressing and instilling so much negativity in the Egyptian citizens' minds to create negative perceptions toward the hopes of positive revolution outcomes, and policed all positive legislative and political initiatives. According to Ernesto (2012), Egyptians were very disappointed at the Army Supreme Council as empowered and demonstrated by social media. Consistently, middle-ranks military officers were discontented with their top leadership. Both variables laid the ground for the newly democratically elected President Morsi since July 1st 2012 to make a historic and strategic move to disqualify and retire the top Army generals, end the sixty year military rule of Egypt, and transfer power to civilians.

10. Relationships with the Global Community: The Arab Spring has completely changed Arab people`s lives, minds, and behavior. It is the same spring that frightened the Western governments thatexpressed fear that these uprisings will lead to Islamist Revolution in Iran. However, this fear is baseless. The Arab Spring had no religious content, but was calling for democracy and freedom (Bayat 2011). The international community and world leaders need to put extensive pressure to submit to the democratic will of the Egyptian people. World leaders, including the US President and his government, need to honestly stand by the freedom and justice of the Egyptian people, not just to convey one message in the open media and act otherwise behind closed doors. Political leaders need to be more ethical in addressing the democratically elected regimes in Egypt and other countries in the Arab world. Western regimes acted unjustly in the last sixty years by installing and supporting dictatorship regimes in the Middle East thinking that they are stabilizing the region. Now they need to act more ethical and just as world leaders and lead by example to gain the Egyptian/ Middle Eastern people trust back through enforcing and instilling the core principles of global democracy.

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Factors influencing voting behavior in Egypt: Rise of the Islamic political brand

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Abstract

Purpose: This study measures to what extent different factors including religion influenced Egyptian's voting behavior intentions in the last parliament elections, given the moderating effect of the media and it's role in shaping the existence of the Islamic political brand in Egypt.
Design: A final total of 350 selected Muslim citizens that participated in the last parliament elections were surveyed via face-to-face interviews using a structured questionnaire.
Findings: Most factors related to voting for a specific candidate or party seemed to be important for voters'in their decision making, specifically personal events related to the candidate (4.2/5),candidate's image (4/5), current events surrounding the elections process (3.9/5), interest in issues and policies (3.9/5) and religious beliefs (3.9/5). The media also had a high level of importance (4.1/5). Overall, citizens demonstrated approach behavior (4.3/5) towards the elections process and indicated that they would actively participate in the upcoming elections. Pearson correlations and further analysis was also run to investigate the nature of relationships between the factors understudy and voting behavioral intentions; most of which had significant relationships.
Research Implications: It has become important for politicians and governments to understand what are the genuine needs of their societies and what are citizens looking for in political candidates and parties. Political marketing is a booming area that has become an important tool in building political brands as witnessed by this research and how it was used by Islamists to reach voter's and affect their decision making.

Key Words: Political marketing, Islamic Marketing, voting behavioral intentions, political branding, media.

Introduction

Arab countries are going through democratic and political transformations that we have not witnessed over the past few decades. More people from Arab countries are becoming more active politically and people are becoming more involved in the political process such as voting and elections. We are seeing polls that are showing a more than 50% voting participation in many countries where voting rarely surpassed 20%. This phenomenon triggered the authors to better understand what are the underlying causes of this change and get a deeper understanding of the reasons for political behavior.
The interest to pursue this research topic stems from the effect of the Arab Spring that took place in 2011 on many nations in the Arab and Islamic worlds. What is clear from the revolutions and demonstrations that took place in countries such as: Tunisia, Egypt, Yemen, Libya is that there is a clear rise in the influence of Islam on politics. There is a significant rise in political parties who market their ideas through religion as their main

proposition. Groups such as the Muslim Brotherhood and Salifists have clearly made center stage and have a clear role in politics. From here the interest arose to better understand methods of marketing for political behavior and attitudes. Interest was more focused to understand the effect of marketing religion and its effect on political behavior of voters. The authors focused on the following research questions:

(1) What are the factors that affect people's decision to vote?
(2) To what extent does religion affect people's decision to vote?
(3) How important is religion when people vote?
(4) Does the media have any role in shaping people's decisions?

Literature Review

There has been an increased application of marketing in modern politics and political marketing is now in the mainstream of research in marketing. (Harris and Lock, 2010). Kelley (1956) first defined the term of political marketing through commenting on the activities of the first election consultancies in the United States. Kelley wrote:

> "The team relies heavily but not entirely upon their own intuitive feel for providing political marketing conditions. They pride themselves on having "good average minds" that help them to see things as the average man sees them." (Kelley 1956: 53)

American scholars such as AvrahamShama (1974; 1976) and the Philip Kotler (1975) developed theoretical foundations for the subject by the mid 1970's. Furthermore, experts in Europe began to consider the political dimension to marketing, positing the view that an exchange relationship existed between democratic elites and their voters (O'Leary and Iredale 1976). Later by the mid-1980s a steady stream of research discussing the emergence of the phenomenon helped confirm the importance of the subject (Mauser 1983; Newman and Sheth 1985) until to date as highlighted below.

The paper by Baines, Harris and Lewis (2002) highlighted that a marketing planning framework for political parties as political marketing has yet to develop its own frameworks. They propose of the following stages for marketing planning framework:

1. Info gathering and identifying constituency
2. Competition and voting group determination
3. Party positioning and voter group targeting
4. Post election analysis

O'Shaughnessy (2001) suggests that marketing is a business discipline and might not have the same effect on political contexts as it has on businesses as it has some limitations as the ecology is totally different. Press and television are potentially a lot more powerful than political marketing, which transcends any attempts of political parties to market themselves.

Smith and Hirst (2001) discussed segmentation in political marketing. In their article, they apply segmentation concept to the British market into seven segments and shows the stages the segmentation was done through starting from identifying the segments, targeting the segments, and positioning.

The paper by Kavanagh (1996) analyses the role of pollsters in politics in the UK and compares it with that in the US. The role of pollsters is usually to assess public opinion regarding policies to be endorsed by the party hiring a private pollster. The pollster should be a campaign consultant; however, sometimes it is not the case and the info provided by the pollster is just a way to back the stances and policies already in place by the political party.

The paper by Baines et al., (2010) is analyzing the effect of Islamist terrorists trying to use political marketing strategies such as short clips propaganda to market their ideology. The analysis shows that most UK Muslims are not susceptible to inducement by such videos; however, it all depends on what type of video is used, and who the video is targeting.

The paper by O'Cass (2001) suggests that political marketing concept is to identify and satisfy voters' needs. The study focused on political market orientation and identified a philosophical and operational level within the party. An idea is the philosophical level, and the mechanisms and operational activities are the reflection of this idea via market orientation.

The paper by O'Cass (1996) suggests that people who work in politics have little understanding of what the marketing concept is, and when introduced to the concept they had mixed views between negative as they don't see it applicable to politics because the party will sometimes need to change its stances, yet some expressed positive attitude towards the concept if it will get the candidates elected. The paper concludes that the marketing concept needs to be redefined to suit politics ecology.

Osuagwu (2008) highlights the importance of having marketing strategy for party recognition, survival and success in a modern democracy, which is built on equality, freedom and competition. The strategy consists of market research, market segmentation, market orientation, polls, media consultants, etc. This is already taking place in developed countries; however, in developing countries the main problem faced by political parties is the lack of market info.

Lock and Harris (1996) analyzes the main differences between political marketing and products marketing or service marketing:

1. Politics Voters make choices on same day
2. No personal direct or indirect outcome for voting
3. Voter has to live with collective choice
4. Winner In elections takes it all
5. A party offers a complex intangible product, and voter has to wait four years to his/her change mind
6. International brands do not exist apart from communism
7. Parties' popularity fall between elections when for example policies controlling expenditure are implemented.

The paper by Gurau and Ayadi (2011) focuses on the process of communication: Context, message, media-mix, and communication strategy taking the 2007 presidential elections as the case under study. The paper analyzed the posters, internet and viral marketing, traditional media, and the overall campaign communication strategy consisting of differentiation of the candidate within his/her own party, the presentation of the political program, and the final confrontation between the two candidates. The paper concludes that the communication strategy must be simple and coherent besides having a differentiation function.

Harris and lock (2010) highlights how the concept of political marketing has evolved from a very simple and basic idea to incorporate more sophisticated high quality research. It identifies the effect of Internet, blogging, social media, etc as an area that needs further research of its effect on voter's attitudes and behavior.

The paper by Cwalina, Falkwski and Newman (2010) presents a test for voters behavior based on role of media in elections, cognitive domains, and emotional feelings. Seven elements are affecting voters behavior:

1. Policies of the candidate
2. Social imaginary creating a stereotype of the candidate relating tos elected segment in society
3. Emotional feelings towards a candidate
4. Candidate image based on personality traits
5. Current events and the policies of the candidate towards them
6. Personal events in the history of the candidate
7. Epistemic issues

Finally the paper highlights four segments of voters:

1. Rational voters
2. Emotional voters
3. Social voters
4. Situational voters

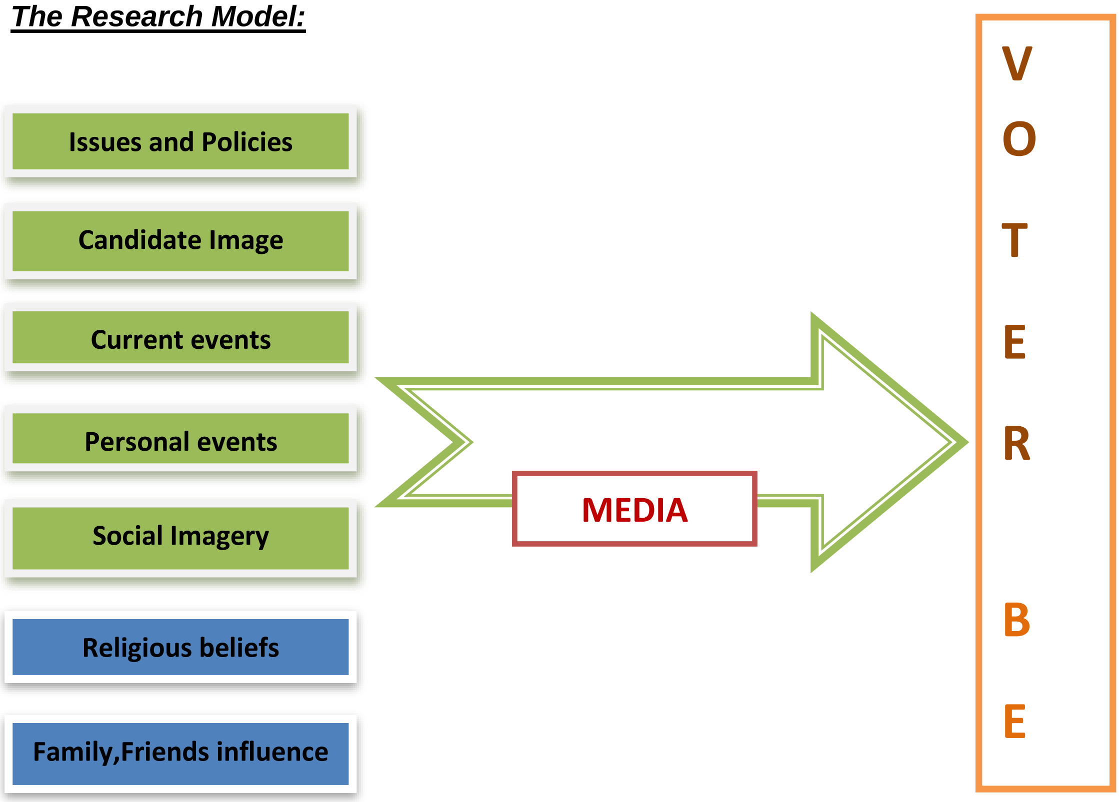
According to existing body of knowledge, no significant study that examines the factors that affect people's decision to vote in the Arab region could be found. The reason may be that most Arab countries until recently are not fully democratic. Most countries that are going through democratic transformation are in the early stages of democracy and are early adopters of new behavior such as voting, elections and freedom of speech and expression. Accordingly, the authors found an interesting gap to try to fill by conducting the following study in Egypt. Egypt is the most populous Arab nation with more than ninety million people. It constitutes around 25% of the population of the Arab world. Thus, the size, and strategic importance of Egypt in the Arab world highlights the importance of examining this issue in Egypt. Following are the main objectives of the research study:

(1) Understand what are the factors that affect people's decision to vote in Egypt
(2) Rate the various factors that affect people decision to vote
(3) Identify the degree to which religion affects peoples decision to vote
(4) Identify the role of the media in shaping the political brand and specifically the Islamic one.

Methodology

The main objective of this study is to initially investigate the relationship between seven selected factors that affect voters' decision making and voter's behavioral intentions, as well as identify whether or not media has a moderating role on such relationship. More specifically, consider the following proposed research model:

The Research Model:



Source: Towards the development of a cross-cultural model of voter behavior: Comparative analysis of Poland and the US by WojciechCwalina and AndrzejFalkowski Department of Marketing Psychology, Warsaw School of Social Psychology, Warsaw, Poland, and Bruce I. Newman Department of Marketing, DePaul University, Chicago, Illinois, USA

A total of 415 questionnaires were surveyed using face-to-face interviews in public places in the capital city of Cairo. Cairo is the capital city of Egypt and has the highest population density (approximately 20 million) in addition to the fact that all political parties headquarter offices, the parliament meeting assembly the ministries and the government are centralized in Cairo.

Findings

Before discussing the findings of our hypotheses testing the following tables demonstrate the actual sample structure for the study.

Table 1: AGE

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-24Y	88	25.1	25.1	25.1
	25-35Y	88	25.1	25.1	50.3
	36-50Y	87	24.9	24.9	75.1
	> 51Y	87	24.9	24.9	100.0
	Total	350	100.0	100.0	

Table 2: GENDER

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	175	50.0	50.0	50.0
	Female	175	50.0	50.0	100.0

	Total	350	100.0	100.0	

Table 3: INCOME

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	< 5000 L.E	81	23.1	23.1	23.1
	5000-10000 L.E	75	21.4	21.4	44.6
	10001-15000 L.E	72	20.6	20.6	65.1
	15001-20000 L.E	58	16.6	16.6	81.7
	> 20000 L.E	64	18.3	18.3	100.0
	Total	350	100.0	100.0	

Table 4: EDUCATION

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	ThanaweyaAmma or Less	138	39.4	39.4	39.4
	College degree	130	37.1	37.1	76.6
	Higher degree	82	23.4	23.4	100.0
	Total	350	100.0	100.0	

From the above tables we can observe that the sampling method and procedures utilized in the study succeeded in covering all segments of the population in terms of gender, age, income and educational levels in the Egyptian society.
The following table highlights the means for all variables under study.

Table 5: Means

		Behavior intentions	Current Events	Personal Events	Issues & policies	Social imagery	Candidate image	Religious beliefs	Family &friends	Media influence
N	Valid	350	350	350	350	350	350	350	350	350
	Missing	0	0	0	0	0	0	0	0	0
Mean		**4.3469**	**3.9038**	**4.2114**	**3.9724**	2.9429	**4.0457**	**3.9633**	2.6276	**4.1229**

We can observe from the above table that most variables under study demonstrated high levels of importance to Egyptian citizens with exception of social imagery which refers to referencing to different segments in society for taking a decision to vote to a specific candidate or party as well as the influence of family and friends that seemed to play a minor role in the decision making of voters. A very significant observation was that we could find members of the same family voting to different candidates and parties in the elections and this is very compatible with the above low means in this context. Another important observation is the significant influence of religious beliefs (in this case Islam); given the fact that this was the first time for Islamic oriented political parties to legally and actively participate in the parliament elections and be able to fully utilize media and communication tools to reach their target markets.

Conceptualizing Work And Organizational Values From The Islamic Perspective

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ABSTRACT

Literature suggests the importance of values in influencing one's affective and cognitive processes, which in turn, affect his/her behaviour. In this regard, values are fundamental in directing an individual's motivation toward work and support the formation of positive attitudes, which subsequently influence his/her actions and decision making. The objective of this study is to provide a model that link basic values to work values and organizational values. The paper presents the general concept of values, work values, and organizational values from the predominantly Western literature. It then analyzes these conceptualizations against the concepts drawn from the Islamic principles and traditions. The study found that the Islamic perspective views values as manifested from one's worldview, which is based on divine principles. Moreover, individual and organizational values are developed and fostered through two authentic sources, the Holy Quran and Hadith. Individuals and organizational conducts are aimed at achieving worldly and superordinate goals of getting rewards from Allah. Conversely, discussions on concept of values in Western literature generally separate values from one's religion and deeply held belief, while organizational values are typically derived from the founders' desire to institutionalize their firms.

INTRODUCTION

Recent development in the research of organisational behaviour and industrial and organisational psychology shows that researchers are laying a greater importance on the positive and moral-based approach in developing and managing human resource to improve productivity, work performance and ethical achievement both at the individual and organization level (Youssef & Luthans, 2005; Luthans, Youssef & Avolio, 2007). Hence, organizational leaders are currently shifting to the positive approach since the problem solving approach is no longer sufficient in ensuring long term success and effectiveness of organization performance (Youssef & Luthans, 2005). This new approach focuses on the development of psychological capital, which is regarded as a critical human internal strength, that should be developed and managed in promoting both individual and organizational prosperity (Bandura, 1997; Seligman, 1998; Snyder, 2000; Masten & Reed, 2002).

Research in the field of psychology found that both the positive affect and cognitive capabilities are sources of one's psychological strength that promote his or her character strengths and virtues (Aspinwall & Staudinger, 2003). These strengths, which are also regarded as positive values (Snyder & Lopez, 2007), include integrity, honesty, optimism, modesty, forgiveness, humility, gratitude, empathy, positive emotion and helpfulness or prosocial behaviour (Seligman & Peterson, 2003; Ballesteros, 2003; Isen, 2003). In order to build this psychological strength, nurturing values and virtues from childhood is vital (Seligman 1998; Seligman & Csikszentmihalyi, 2000). Research on values, however have been neglected in the fields of psychology, including in Industrial and Organizational psychology; instead most studies in these fields focused on the more observable behavioural aspects.

In the western perspective, human values arise from an individual belief system about the desired end states (Rokeach, 1973). These values serve as a foundation or standard which determine a person's action, attitude, evaluation, moral judgment and justification of self and others (Rokeach, 1968, 1973). In this regard, value is integrated in every aspect of life and may influence, determine and facilitate relationships between individuals, organizations, institutions and society (Meglino & Ravlin, 1998). Every person has a unique value system which is developed and enhanced through socialization from family, religious background, personal experiences at work and society (McShane & Von Glinow, 2009).

Values are believed to have a strong influence on a person's affective, cognitive and behaviour (Locke, 1976; Rokeach, 1973). It can dictate the motivation for a particular behaviour (McClelland, 1985). Therefore, values are the core principles that help individuals realize their motivation (Locke, 2004) and serve as criteria in determining their goals (Locke, 1976). More importantly, values drive individuals to act in congruent with the values that he holds on to (Rokeach, 1973; Williams, 1979). Subsequently, a person's positive values shape his positive views and attitude, which ultimately influence his action (Rokeach, 1968) and decision making (Mertins & Hennigan, 1996).

However, values also have been defined as personality types, motivation, attitudes, interests, preferences, which are generally outcomes that are derived from one's values system (Meglino & Ravlin, 1998). As a result, the concept of value has become complex (Rescher, 1969; Connor & Becker, 1975, 1994; Meglino & Ravlin, 1998). Additionally, it seemed that there is a lack of consensus regarding the foundation of values itself since the foundation for values is defined by the interpretations of researchers. Islamic perspective and traditions offer some ways to overcome the problems of different interpretation of values since they are built upon basic absolute values which bring about congruence of values in all aspects of life, including personal (private) life and life at work.

This research describes the concept of values and work values, including the structure and component of values, and how values influence individuals in organizations from the conventional perspective. It then analyses these conceptualizations against the concepts drawn from the Islamic principles and traditions. The objective of this study is to provide a comprehensive model that link basic values to work values and organizational values from the Islamic perspective.

CONCEPT OF VALUES AND WORK VALUES

Conceptually, there is a lack of consensus regarding values since past researchers have define values from different perspective. Among others, values is defined as a constant belief which forms the foundation of an individual's belief system or modes of conducts and influence choice of behaviour (Rokeach, 1973; Schwartz, 1994) and principles of action which include goals in life (Braithwaite & Blamey, 1998). Another group of researchers define values as priority, moral responsibility, desire, goals and needs (Williams, 1979), and attitude (Fishbein &Ajzen, 1975), while others defined it as anything that is considered important in a person's life or group of people (Friedman, Kahn & Borning, 2006). These varied definitions has given rise to different measures resulting in complexity in conceptualizing values (Rescher, 1969; Connor & Becker, 1975, 1994; Meglino & Ravlin, 1998).

Typology and Component of Values

Researchers in the field of values have developed a typology or values structure as a method to categorize value dimensions in order to facilitate classification and detailed research (White, 2006; Cheng & Fleischmann, 2010). For example, Rokeach (1973) has classified personal value into 36 types of instrumental values and terminals values. Terminal values is long term in nature and reflects the end of existence or goals that a person would like to achieve in life (such as a comfortable and happy life). Instrumental values, on the other hand, is short term in nature and is a mean or behaviour to achieve goals in life (for example, honesty and helpfulness). According to Rokeach, both values are interrelated since instrumental values facilitates the achievement of terminal values. Building on Rokeach work, Schwartz (1994) proposed four types of values domain: conservation, openness to change, self-enhancement, and self-transcendence. Crace and Brown (1995) suggest 14 types of individual values, which they called life values inventory. Schmidt and Posner (1983) proposed a framework for individual work values, management values, organization-business values and social values. Agle and Caldwell (1999) categorized work values, individual values, and management values as personal values.

From the review of literature, the topic of values has been widely studied within the social science disciplines, either conceptually, or empirically. The latter usually involves the development of the instruments to measure the concept. Values have been analyzed according to the various stages of the value of individuals, groups, organizations, institutions, social, national as well as the global level. Rokeach (1973) proposed that research on values be done on all levels of social analysis, including personal, group, organisation, institution, social and culture. An earlier research done by Rescher (1969) classifies values into personal value, professional value (work value) and national value. More recently, Agle and Caldwell (1999) categorized research on values based on five levels of analysis, i.e. individual or personal, organizational, institutional, social, and global values.

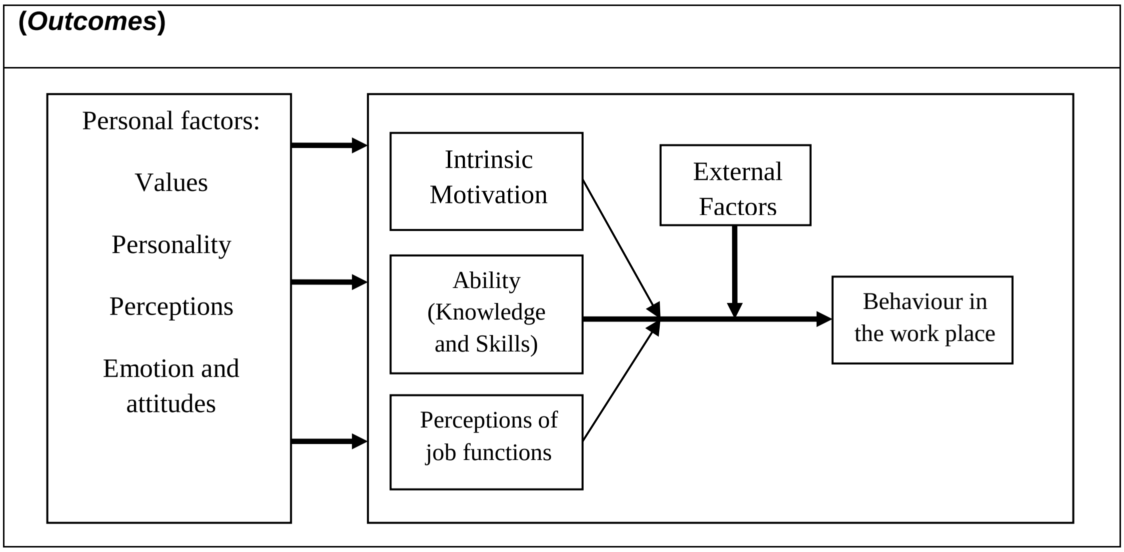
In regard to instrument, it was found that individual, work and organizational values are measured by different instruments. Most of these instruments have moral values as contained in the Rokeach instrumental values (1973), the work values of Meglino Ravlin (1989), together with organizational values (McDonald and Gandz, 1991), the basic values of Schwartz (1994), the value of individual (Crace and Brown, 1995), the organization (Jurkiewicz and Giacalone, 2004) and the work (Syed Najmuddin, 2005). Some other measurements of values, however, do not contain moral elements (Scott, 2002).

Work Values

In particular, work values is a belief regarding the important things that influence a person's decision and action, as well as his perception regarding what is good or bad and right or wrong in relation to his work. It also serves as a moral guide that dictates motivation and potential, which ultimately influence decision making, behaviour and performance at work place (McShane & Von Glinow, 2009). Work values is also defined as a goal a person would like to achieve in order to fulfil his intrinsic needs (Super, 1970), a group of motive which serves as a standard or criteria which stimulate thinking and action related to career development (Feather, 1982), and personal values (George & Jones, 1996). Brown (2002) defines work value as values that a person holds on to and must be met in doing his work. In general, values at the work place fall into two categories, i.e. espoused values, which are values that support the environment of an organization (such as written corporate value), and enacted values, which are moral values that are designed and applied to guide worker's action and decision (McShane & Von Glinow, 2009). Earlier, Elizur (1984) introduced three dimensions of work values, i.e. instrumental value (including salary, benefits and working condition), affective value (such as sense of belonging and status), and cognitive value (such as achievement, independence and interest in work).

In order to explain how value influence behaviour and work performance, McShane and Von Glinow (2009) proposed a model such as the one shown in Figure 1 and referred to it as the MARS Model (short for Motivation, Ability, Role perceptions and Situational factors). Specifically, in this model, value is one of the individual variables which drive motivation, influence ability (knowledge and skill) and role perception which ultimately influence behaviour and work performance. Based on this model, scholars in the field of organizational behaviour have theoretically recognized the role of value in influencing behaviour and outcome at the work place.

Figure 1: MARS Individual Behaviour Model



Source: Adapted from McShane and Von Glinow (2009, pg. 35)

Moreover, the value aspect plays an important role in controlling one's emotions (Briskin, 1996), building one's personal relationships to others and maintaining one's good performance in the workplace (Goleman, 1999). It also supports to stabilize behavior and motivate employees to move collectively toward the same goal (McShane & Von Glinow, 2009). Literature review has shown that even though researchers use different measures for work value, their studies have produced almost similar results, i.e., work value is positively related to work behaviour in organizations. This includes job satisfaction, prosocial behaviour (McNeely & Meglino, 1994; Sidani & Jamali, 2010), organization moral behaviour, organizational commitment (Ryan, 2002; Liu & Cohen, 2010), creative behaviour (Rice 2006) and innovative ability (Naresh & Raduan, 2010). Several studies have shown that work value is related to an employee's motivation, his or her job satisfaction and initiative (Pizam et al., 1980; White, 2006), individual's career success (Neal, 1999; Adkins & Naumann, 2001), and contributes towards emotional intelligence (Syed Najmuddin, 2004).

Scholars are also of the opinion that values in an organization could impact the organization's overall outcome (Meglino, Ravlin & Adkins, 1989; Wiener, 1988; Scott, 2002). At the organizational level, work values shared by employees have been linked to the performance of the organization (Deal & Kennedy 1982) and organizational strategies (Humble, Jackson & Thomson, 1994). Previous empirical studies have also proven that the sharing of values in organizations can encourage workers involvement in prosocial behaviour (O'Reilly & Chatman 1986), inclination towards ethical behaviour (Posner, Kouzes & Schmidt 1985), and loyalty to organizations (Meglino et al. 1989; O'Reilly et al. 1991).

Previous studies have also found value congruence between an individual and an organization can have a positive impact on the individual and the organization (Scott, 2002). At the individual level, value congruence has been found to affect job satisfaction (Chatman, 1991; Meglino et al., 1989), organizational commitment (Vancouver & Schmitt, 1991), the work (Chatman, 1991), and has a negative relationship with the desire to quit and employee turnover (Chatman, 1991; O'Reilly, Chatman & Caldwell, 1991). In all, these can provide a positive impact on the overall organizational performance.

Value congruence between person and organization produces affective response, which lead to positive work behaviour such as job satisfaction (Chatman, 1991; Meglino et al., 1989; O'Reilly, Chatman & Caldwell, 1991), organizational commitment (Harris & Mossholder, 1996; Meglino et al., 1989; O'Reilly et al., 1991), positive work attitude (Posner, 1992) and optimism regarding the future of the organization (Harrris & Mossholder, 1996). Additionally, according to Agle and Caldwell (1999), many researchers have shown that there is a relationship between mutual values and performance of organizations (Enz & Schwenk, 1989; Peters & Waterman 1982; Deal & Kennedy 1982). Mutual value in organizations can foster common values which facilitate interaction between workers at the work place and therefore improve work performance (Maierhofer, Griffin & Sheehan 2000). On the other hand, the values of supervisors and managers have been proven to influence the performance of their subordinate and worker's behaviour in an organization (Adkins & Russell 1997; Maierhofer, Griffin & Sheehan 2000).

As a whole, individual values, group values and organizational values are important elements in determining the performance of an organization. While all values studies points to similar results of both individual and organizational performance, researchers have mixed definitions, measurements, and conceptualizations of values. There are various definitions regarding the concept of values; generally it is treated either as one's core principles or are generally defined as outcomes that are derived from one's values system. The complexity in the definition of values may result in the difficulty in understanding the concept of values. This is a critical issue that needs to be addressed given its importance in determining individual and organizational performance. More importantly, a lack of understanding on the concept of values may lead to inability of management to overcome organizational woes, originating from individuals' lack of positive values. Moreover, a critical omission within the existing literature is the lack of explanation on values foundations. We will now discuss values from the Islamic perspective and tradition. As the Islamic perspective and tradition are based on absolute values, it will help us overcome the problems of different interpretations; this will lead to congruence of values in all aspects of life, including personal life and life at work.

THE CONCEPT OF VALUES FROM THE ISLAMIC PERSPECTIVE

Islam is Ad-Din, a comprehensive way of life for human beings which guides all aspects of human life based on the belief in oneness of God; it is a conviction and belief in Allah SWT as the Creator of the universe (Beekun & Badawi, 2005; Al-A'ali, 2008; Fathi Yakan, 1983; Qardhawi 1983, 2010). It is this creed that guides human's thinking, soul, spirit, feelings and behavior to obey Allah SWT. Obedience to Allah gives man a sense of security, serenity and wellbeing in this world and in the hereafter (Maududi, 1985; Qardhawi 2010). Absolute faith and belief in Allah SWT are based on two authentic sources of Islamic principles and teachings in Islam, which are the Holy Quran and Hadith. These absolute values are values in belief and conviction, which ultimately shape thinking, attitude, behaviour and best practice at work (Sharifah Hayaati, 2010). These are the values which catapulted the Muslims into the golden age between the eighth and fourteenth century (Ali 2005).

In the Islamic perspective, values are standards, measures or principles, set by God the Creator, which serves as a term of reference in making a judgment, evaluation or decision on whether something is good or bad, and right or wrong (Faizi 2010; Beekun 1997). Islamic values is based on the principles and teachings that Islam is Ad'Din, a complete guide and a way of life. The Muslims believe that the Quran contains words of Allah which was revealed to Prophet Muhammad (Peace be upon him) while the Hadith is the words, conducts and approvals of Prophet Muhammad (Peace be upon him) which are guided by Allah. The fundamental Islamic principle holds that everything was created by Allah and that all creations must worship Him (Quran 51:56; 17:44).

Values system in Islam is integrated and includes social, moral, economic, political values as well as other values which guide the relationship among humans and between humans and God (Faizi, 2010). Values in Islam include elements of spirituality to guide Muslims in achieving their goals in life as vicegerents and in their worship of Allah SWT; they are sourced from divine revelation, as dictated and required by God the Creator (Rahman et al., 1006; Nik Azis Nik Pa, 1996). Values in Islam guide all affairs of the world and hereafter (Qardhawi 2010).

Islam views humans as creatures with responsibility not only towards his God, but also towards himself and others. In verse 95 Surah Maryam, Allah SWT says:

"*And everyone of them will come to Him al one on the Day of Resurrection"* (Quran 19:95)

Whereas in Surah Al-Muddatsir verse 38 He says:

"*Every person is a pledge for what he has earned"* (Quran74:38)

In another verse of the Quran, in verse 6 Surah Ar-Tahrim, Allah says:

"*O you who believe! Protect yourselves and your families against a Fire (Hell) whose fuel is men and stones, over which are (appointed) angels stern (and) severe, who disobey not the commands they receive from Allah, but do that which they are commanded"* (Quran 66:6).

These are the reasons why Muslims are expected to strive to do their best in everything that they do so as to please Allah (Kheder, 2001).

From the Muslim's perspective, Allah SWT has stated in Surah Az-Zaariayat verse 56 that the goal of life of a Muslim is:

"*And I created not the Jinn and mankind except that they should worship Me*" (Quran 51:56).

Whereas in Surah Al-Mulk verse 2 Allah SWT says:

"*Who has created death and life that He may test you which of you is best in deed. And He is the Almighty, the Oft–Forgiving"* (Quran 67:2).

Anyone who holds on to this principle of faith will always strive to do good as a way to please Allah and in the hope of getting reward in the hereafter. Allah SWT says in Surah At-Taubah verse 105:

"*And says "Do deeds! Allah will see your deeds, and (so will) His Messenger and the believers. And you will be brought back to the All-Knower of the unseen and t he seen. Then He will inform you of what you used to do*" (Quran 9:105).

And in Surah Al-Zalzalah verse 7-8 He says:

"*So, whosoever does good equal to the weight of a speck of dust shall see it. And whosoever does evil equal to the weight of a speck of dust shall see it" (Quran 99:7-8)*

Worship (*ibadah*) in Islam includes everything that a person does in the course of his work to meet the needs in his life (Qardhawi, 2010). Allah SWT says in Surah Al-Qasas verse 77:

"But seek, with that which Allah has best owed on you, the home of the Hereafter, and forget not your portion of lawful enjoyment in this world; and be generous as Allah has been generous to you, and seek not mischief in the land. Verily, Allah likes not the mischief makers"(Quran 28:77)

In organizational context, most western reserchers, such as Rokeach (1973), Ravlin & Meglino (1987), McDonald and Gandz (1991), Schwartz (1994), Crace and Brown (1995), and Jurkiewicz and Giacalone (2004), view work values and organizational values as shared values, instrumental values, and basic values that are based on moral values. This includes forgiveness, helpfulness, honesty, trustworthiness, loving, responsible, wary, conscientious, fair, dedication, integrity, self-control, discipline, sincerity and thankfulness. On the other hand, Islamic scholars view work values as Islamic work ethics, and most Islamic scholars refer to the Islamic Work Ethics (IWE) introduced by (Ali, 1992; Ali and Al-Kazemi 2007; Yousef 1999, 2001). IWE was developed as an instrument and was built based on Islamic values which reflect a person's positive attitude towards work in terms of self-respect, satisfaction, achievement, independence and moral responsibility (Ali 1992, 2005).

Conceptually, Islam views moral values as moral (*akhlaq*) values which are the basic and most important goal to be achieved in Islam (Fathi Yakan 1983; Qardhawi 2010). In a hadith, the Prophet said:

"I have been sent to perfect righteous and honorable manners (noble virtues)" (Narrated by Malik, Ahmad, Hakim, At-Tabarani and Bukhari in Al-Adab Al-Mufrad from Abu Hurairah, No. 273)

According to Qardhawi (2010), Islam has made values such as justice, goodness, love, shunning the forbidden and being trustworthy as societal values which will bring a person closer to Allah SWT and hence paving his way to paradise. In verse 2 Surah Al-Maidah, Allah SWT has instilled moral values and goodness in the believers:

"O you who believe! Violate not the sanctity of the symbols of Allah, nor of the Sacred Month, nor of the Hady brought for sacrifice, nor t he garlands, nor the people coming to the Sacred House (Makkah), seeking the bounty and good pleasure of their Lord. But when you finish t he Ihram, then hunt, and let not the hat red of some people in (once) stopping you from Al -Masjid Al-Haram (at Makkah) lead you to transgression. Help you one another in Al -Birr and At - Taqwa, but do not help one another in sin and transgression. And have Taqwa of Allah. Verily, Allah is severe in punishment" (Quran 5:2)

In verse 7 Surah Surah Al-Baiyinah, Allah SWT says:

"*Verily, those who believe and do righteous good deeds, they are t he best of creatures."*
(Quran 98:7)

In Surah Al-Ahzab verse 21 He says:

"*Indeed in the Messenger of Allah you have a good example to follow for him who hopes in Allah and the Last Day, and remembers Allah much"* (Quran 33:21).

A believer always strives to practice the teaching of Rasulullah SAW in His hadith:

"Verily, Allah loves that if one does a job he perfects it (Al-Bayhaqi)"

According to Fathi Yakan (1983), a person's moral values reflect his true faith. He further says that moral values are the *deen* because there is no faith without good moral. The Prophet SAW, when asked:

"What is Deen?" answered "Deen is good moral"
(Narrated by Muhammad IbnNasr al-Maruzi).

Allah SWT says in verse 22 Surah An-Nur:

"And let not those among you who are blessed with graces and wealth swear not to give to their kinsmen, the poor, and those who left their homes for Allah's cause. Let them pardon and forgive. Do you not love that Allah should forgive you And Allah is Oft -Forgiving, Most Merciful" (Quran 24:22)

It is evident from these hadith and verses of the Quran that Islam has provided clear guidelines, direction and guidance regarding values; they encompass moral values in personal life, working life, organization and society. These moral values are integrative since they are not separated from values of faith in the Almighty God, and the spiritual values encompass the reward and reckoning in the hereafter. This is different from the western perspective which separate moral values from divine values because moral responsibility is seen merely as social responsibility (Musak 1996) and not related with reward and reckoning on the day of judgment.

Additionally, in researches done in the west, focus was given to values in organization because of its contribution to organization performance (Deal & Kennedy 1982), productivity, work satisfaction (Jehn 1994; Scott 2002), organisational commitment (Finegan 2000; Scott 2002) and management effectiveness (Chatman 1991; Meglino et al. 1989; O'Reilly, Chatman & Caldwell (1991). On the contrary, Islam focuses on the education of values in personal life, social life and organization for a more encompassing reason. In addition to producing noble character (Fathi Yakan, 1983), improving cooperation which will ultimately improve work quality and effective management practice in organization (Wan Norhasniah 2012), it also serves to help individual gain the pleasure and love of Allah, forgiveness from Allah, and good reward in the hereafter. It also helps the Muslims to shun negative values which are sinful and brings the wrath of Allah (Qardhawi 2010). This is stated in verse 52 Surah An-Nur:

"And We revealed to Musa, saying: "Depart by night with My servants, verily, you will be pursued" (Quran 24:52)

MODEL OF VALUES, WORK VALUES AND ORGANIZATIONAL VALUES

Western researches on values have also discussed basic values based on moral values. However, the western perspective is different from the Islamic perspective since it is influenced, defined, and developed by the society (Musak, 1996); the source for values is the norms or regulations set by and agreed upon by a group of people (Hassan, 1979) and is not fixed. On the other hand, the source of moral values in Islam is from Allah SWT; this source was revealed through His Prophet and lasts forever (Tajul Arifin, 1996). In other words, the western basic values is not based on creed/unity of God, which upholds faith values as absolute.

The core values in Islam are based on tawhidic principle, and a Muslim's faith in Allah play a very important role in guiding his feelings, thinking, motivation and behaviour. Strong faith shape a person's Tawhidic worldview and this in turn shape his value system based on Islamic principles (Pahrol, 2010). Hence, a believer's values is based on the Islamic worldview in which life is seen as worship and a person's goal in life is to gain the pleasure of Allah SWT. This Islamic worldview also serves as guidance for entrepreneurs and managers in designing organizational values and how an organization is run; it also defines the organization's achievement. This allows individuals and organizations to achieve their objective without conflict; in other words it facilitates value congruence between individuals and organizations.

Based on the above discussion, we propose a model which describes the relationship between concept of values, and work and organizational values, as well as how it impacts individuals, as shown in Figure 2. This figure shows the relationship between faith, spiritual values and moral values, which serve as core values to work, organizational and life values. These values, in turn, are the basics which shape individual's thinking, attitude, and behavior which ultimately influence outcome at the work place.

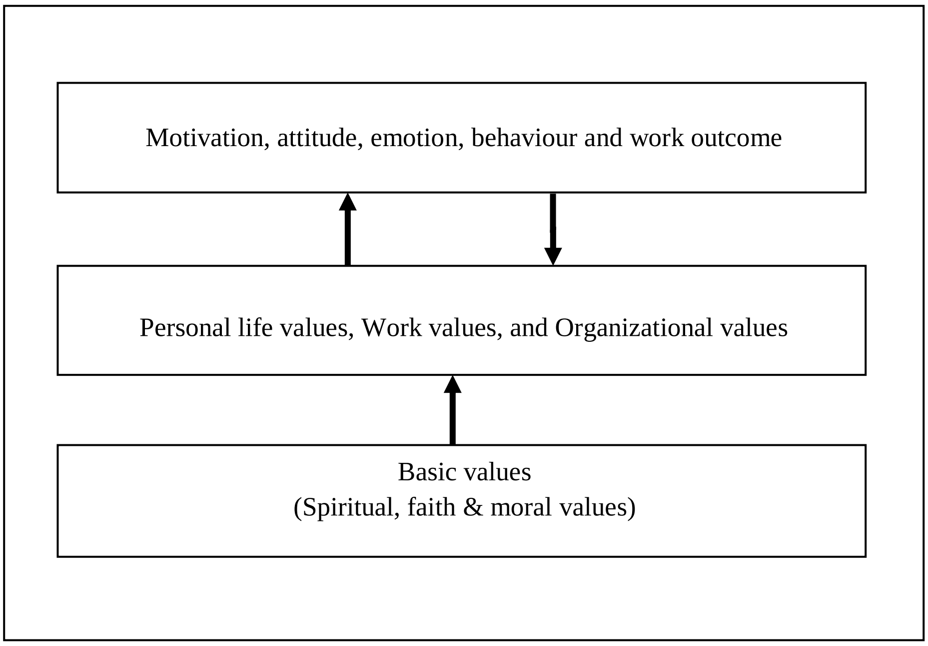


Figure 2: Relationship between basic value and work value and its impact on individual at the work place

CONCLUSIONS AND IMPLICATIONS

This article contributes to the conceptual discussion regarding basic values, work values and organisational values from the western and Islamic perspectives. A review of existing literature shows that the western perspective dominates the concept of values, and most of them refers to Rokeach's instrumental values. Even though western researches have identified the importance of values as moral values which guide positive behaviour that contributes to the effectiveness of organizations, the Islamic concept of values is more integrated and comprehensive because it is tied to faith and spiritual values which include the matter of reward and reckoning in the hereafter.

In this regard, the Islamic perspective makes significant contribution to the theories of positive psychology in organization. The Islamic perspective not only emphasizes on the importance of values in work and in life, it also gives emphasis to the underlying worldviews that explain values. Since Islamic values are built upon basic absolute values, the Islamic perspective contributes to synergizing values congruence in organizations and in all aspects of life.

In terms of implications on organization management, a positive work values based on moral values should be nurtured to create a conducive and healthy environment. From an individual's perspective, virtues encourage motivation and initiative, foster positive attitude and effective relationship, and improve work performance. In organizational context, nurturing virtues is crucial to ensure its long term survival and growth. More importantly, for a believer, nurturing virtue ensures the wellbeing of an individual in the hereafter and the blessings of Allah, the Lord of the universe.

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Ethical Implications of Public Relations in Bangladesh: Islamic Perspective

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Abstract

Purpose – This paper aims to examine public relation practices in Bangladesh, weighing its ethical implications from an Islamic perspective and investigates whether it comply with Islam's ethical specifications to facilitate Muslim Marketer's thoughts and practices.
Design/methodology/approach – The paper uses *Qur'an* (Chapter 3, Verse 103) as a theoretical framework to critically evaluate relevant information to ascertain the extent of ethical legitimacy of promotional strategies used in public relations in Bangladesh. It cites relevant references from *Qur'an* and *Sunnãh* as interpretive evidences and methodology.
Findings – Islam puts stress on institutionalizing ethics in every aspects of Business. This complete code of life strongly recommends Muslims to do business which should certainly be in the ethical framework guided by *Shari'ah*. The existing public relation strategies in Bangladesh are ethically dubious. Undue influence, exertion of too much political power, flattering, fabrication, falsehood, and bribery are very much common practices done by the corporations to build favorable public relations. No ways are these in compliance with Islamic Ethical Values.
Research limitations/implications – This paper suggests the necessity for further research into the ethical dimensions of business practices in Bangladesh to promote ethical awareness in the society.
Originality/value – This study includes mutual socio-economic and ethical responsibilities among Bangladeshi Marketers to save the society from corruption and moral deterioration.
Key Words: Ethics, Bangladesh, Promotional Strategies, Public Relations, *Shari'ah*
Paper type: Research Paper

Introduction
Ethics has become a buzz word in today's business environment. Corporations are getting concerned about Corporate Governance, Corporate Social Responsibility, Green Marketing etc. But none of them can substitute ethical behavior completely. There are a good number of papers authored on Business Ethics. But a few papers have been penned relating to Promotional Mix elements from Islamic perspective. In this paper the researcher engaged his efforts to make up the gap. Jibrail Bin Yusuf authored a paper on 'Ethical implications of sales promotion in Ghana: Islamic Perspective' in 2010. That paper inspired this author to work on another Promotional Mix element – Public Relation from Islamic Perspective. This work investigated the present practices of Public Relation in Bangladeshi corporations and examined their compliance with Islamic Ethical Values. This paper will shed light of Islamic Ethics on the minds of Muslim managers so that they can pull off their goals herein and hereafter [*Hasanah fil Dunia wa fil A'khirah*].

Theoretical Overview and Literature Review
Ethical issues are important for an effective organization and are essential for good interpersonal relations and Muslim managers must stick to the Islamic Code of Ethics (Abuznaid, 2009). Ethics is a branch of moral philosophy that deals with moral behavior. Morality refers to an ability to judge what is good or bad, right or wrong. Morality is a complex concept which can be defined in terms of both means and ends. Means indicate process that occurs and Ends refers to the consequences (Cherrington and Cherrington, 1995). Yusuf (2010) worked on the Ethical implication of sales promotion in Ghana where he showed the dimensions of sales promotion and their compliance with Islamic code of Ethics. *Qur'an* – The Divine Book guides Muslims how to make relationship each other. In Islam the sign of relationship is 'Brotherhood'. Brotherhood is for the satisfaction of Allah (SWT). The sense has been portrayed in the *Qur'an,* Chapter 3, verse 103. Here Allah (SWT) has said: '*And hold firmly to the rope of Allah all together and do not become divided. And remember the favor of Allah upon you – when you were enemies and He brought your hearts together and you become, by His favor,* ***brothers****. And you were on the edge of a pit of fire, and He saved you from it. Thus does Allah make clear to you His verses that you may be guided (3:103)*. It also gives the hints of Unity among the Muslims – the unity is not superficial or ornamental. This unity is the unity of hearts of believers. Islam doesn't permit the artificial relations or unity which is for the mere worldly interest or benefit. Artificial relationship does not persist. The material unity only can be the source of division and selfishness. Islam has set up the superstructure of relationship and unity on Faith, Love, and Sacrifice for each other (Murad, 2003). Thus it is possible to construct a welfare society where cooperation and patronization substitute disputes and conflicts. In this enlightened society the 'Eat or Be Eaten' slogan doesn't work. Only the 'pull' or 'push' theory works. Pulling the deprived ones at a better position and pushing rich one's wealth to the deprived ones are the senses. In the *Qur'an* it has been said: '*If you disclose your charitable expenditures, they are good; but if you conceal them and give them to the poor, it is better for you, and He will remove from you some of your misdeeds [thereby]. And Allah, with what you do, is [fully] Acquainted* (Chapter 2, Verse 271).' It has also said: '*O you who have believed, do not consume one another's wealth unjustly but only [in lawful] business by mutual consent* (Chapter 4, Verse 29).'

Traditional View of Public Relation

In Marketing it is said that marketers do not sell products, they offer a complete marketing mix before the buyers. Kotler & Keller (2005) showed Marketing Mix as a collection of Ps – 4Ps, 7Ps, or 8Ps. Subsequently these 4Ps have become 4Cs as considered from Buyer's viewpoints. One of these Ps is 'Promotion' which corresponds to the 'Communication' from Cs. Promotion/communication has a separate mix called Promotion/Communication Mix. Public Relation is one of the significant elements in the Promotion/Communication Mix. Public relation has been defined as building good relations with the company's various publics by obtaining favorable publicity, building up a good corporate image and handling or heading off unfavorable rumors, stories, and events (Kotler, et al., 2011). Figure – 1 shows a snapshot of communication Mix.

Publics are of different types – *General Public, Local Public, Citizen-action Public, Government Public, Media Public, Financial Public and Internal Public* (Kotler, et al., 2011). Companies make the relationships with these publics so that they can remain safe from unfavorable rumors and stories against them.

In marketing the attitude of *General publics* of a target area is important. In Bangladesh the perception of general publics about wine is not positive. So marketers can't produce and sell wine conveniently in this market. Due to this public attitude Government restrict the production and impose heavy duty on its' sale in Bangladesh. Consumer organizations or environmental concerned groups are *Citizen-action public* frequently raises voice on different issues and build a strong wall against Marketers. For this reason Bangladeshi government was bound to pass a bill (Use and Production of Polythene Bags Act, 2002) in the parliament against production and use of polythene bags. Still this act is far behind the implementation due to the reluctance of managerial, technical and financial resources and the law enforcement agencies of government (Jahan, 2012). *Local publics* – neighborhood residents and community organizations play a significant role in the company's operations. If they create obstacles it becomes tough for the factories to run. Universities in the residential areas may disturb the harmony of resident's life in that area. Factories waste chemical disturb the agriculture or cultivation of a certain area. In this case organizations need to be much caring to the local community. Corporations always remain tensed to convince *Government public* – government/ruling political parties and its' agencies to conduct an uninterrupted operation in a particular country or state. Government set the policies for corporations. Now it is observed in most of the countries including United States the large corporations work as patrons during the National Elections and decide which party should be in the power. This is an open secret. Accordingly the government also creates a facilitated environment for corporations they favor to run their activities.

Among other publics, *Financial public* – Banks, Shareholders, Insurance companies, Investment houses and *Media public* – Television, Internet, Magazine, Newspaper play pivotal roles in company's activities. Financial publics supply the fund – treated as blood in an organization. Media publics appreciate the company's welfare activities and criticize tracing out the loopholes of companies.

Every medium or large scale enterprise is required to have a Public Relation (PR) cell or department with the appointment of public relation officers and staffs. In the figure – 1 it has been shown how PR works. As shown in the figure *speeches* for product and commodity publicity, *special events*, *buzz marketing*, *written materials*, *corporate identity materials*, *public service activities*, *social networking*, and a *company's website* are the important PR vehicles. For a long time *Advertising* – the peer of PR is being appreciated for its' undisputed contribution in Brand building. But recently Marketing consultants are proclaiming the dominance of PR over advertising for building a strong brand. The Ries (2002) sisters wrote: 'The birth of a brand is usually accomplished with [Public Relations], not advertising'.

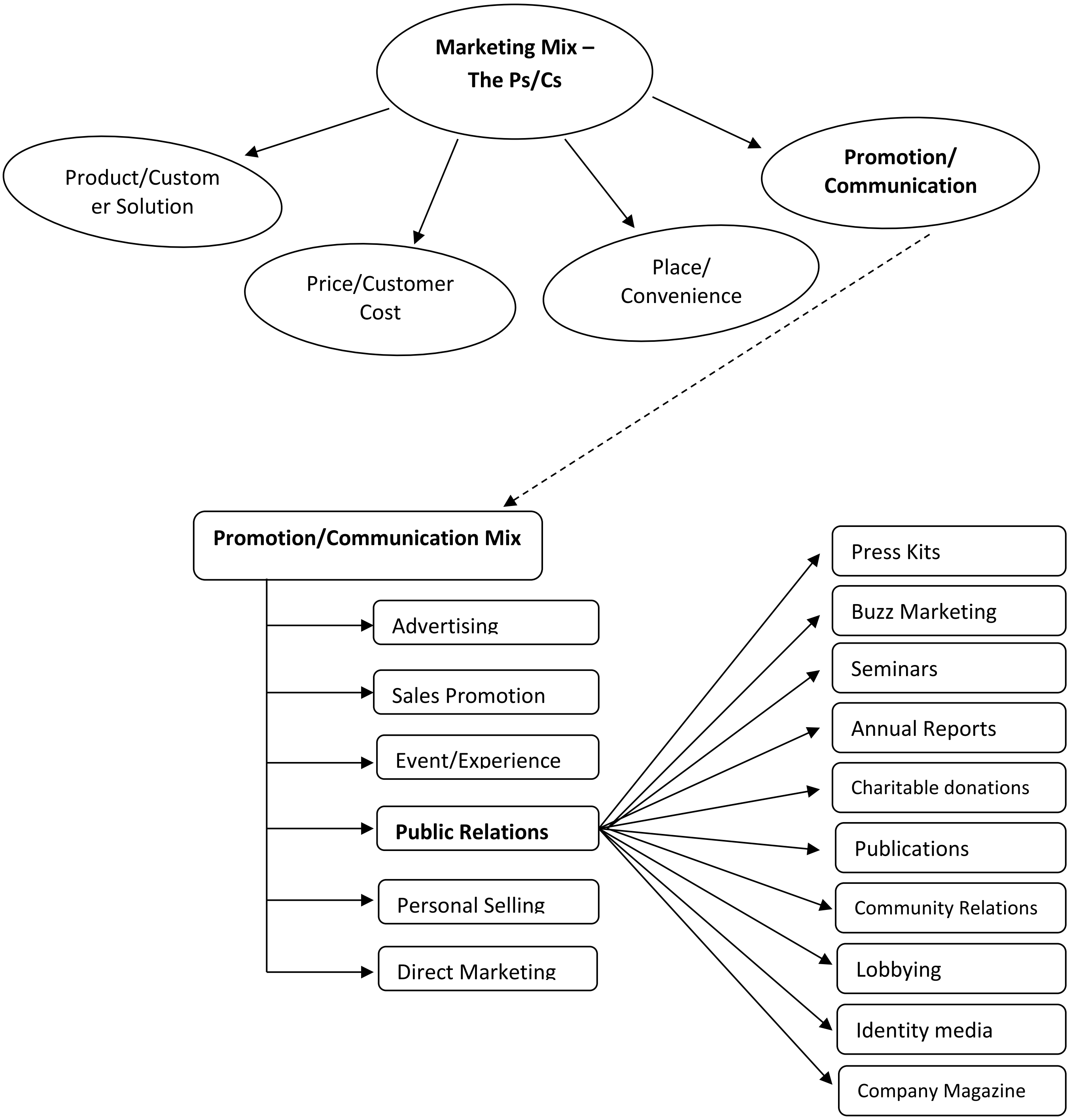
Scenario of Public Relation Practices in Bangladesh

Bangladesh is a Muslim majority (Muslim 89.5%, Hindu 9.6%, Others 0.9%) country the total population of which is 161,083,804 as of July 26, 2012 according to CIA World Factbook. Government of this country runs with Parliamentary Democracy (www.indexmundi.com, 2012). It has got its independence on 26th March 1971 from Pakistan. Around 15 years it was ruled by the Military due to the dispute of political parties. Around 10 Political parties contribute significantly in the formation of Government. But two major parties *Bangladesh Awami League* and *Bangladesh Nationalist Party* are dominating.

Bangladesh economy has been growing 5-6% per year since 1996 even though there are many constraints like political instability, corruption, pitiable infrastructure, inadequate power supplies, and sluggish implementation of economic reforms. More than half of GDP is generated through the service sector, 45% of Bangladeshis are employed in the agriculture sector with rice as the single-most-important product. Garment exports, totaling $12.3 billion in FY09 and remittances from overseas Bangladeshis, totaling $11 billion in FY10, accounted for almost 12% of GDP (www.indexmundi.com, 2012).

Readymade Garment (RMG) sector contributes a lot in the country economy. Bhattacharya (2002) shown the total manufacturing sector's contribution to GDP was about 15.6% when RMG sector contributed about 29.7% of the manufacturing GDP in FY 2002. In the same year this sector contributed 76.6% of the total Bangladesh export. This sector has employed 1.8 million workers where 1.5 million are women. They do not have much literacy. So they can be easily exploited. There are substantial violations of laws and labor policies. There had been, in fact, no answerability or enforceability. But because of the interventions of Human rights agencies, international buyers, and some international agencies like UNICEF and ILO the condition is a bit better (Mahmud and Kabeer, 2006). In public relation there was another kind of publics like internal public. This is the scenario of making an unfavorable relation with internal publics.

Figure – 1: A Snapshot of Public Relation in Marketing Mix



Bangladesh has a record number of companies and in many of them have the public relation practices. Besides the conventional ventures some Islamic organizations are also keeping their successful steps in the country business. Here, in this paper, the author wanted to show whether Bangladeshi companies are in compliance with ethical values set by Islam. In this connection the cases relating to public relation of some selected companies has been described.

Chevron is an American multinational corporation which is engaged in every aspect of the oil, gas and geothermal energy industries. It has the biggest ever Foreign Direct Investment in Bangladesh as it has committed to invest around $1billion to raise output from Bibiyana Gas field. As reported by bdnews24.com on 30 July 2012, the CEO of Chevron Geoff Strong said, “This project will provide more affordable energy that will not only increase Chevron's business in Bangladesh but also help drive economic growth and alleviate poverty for many millions of people”. Chevron was committed to consider the community people who lost their lands and were suffering from the effect of Gas field as partners to share goals and mutual respect and cooperation. But the reality was different. Gardner (2012) conducted a research involving the villagers of two neighboring villages when the majority spoke of their fears of corruption, environmental damage and their sense of injustice at the profits made by foreign multinationals exploiting local resources. Research findings of Katy Gardner were surprising. Chevron promised to invest in health, education and

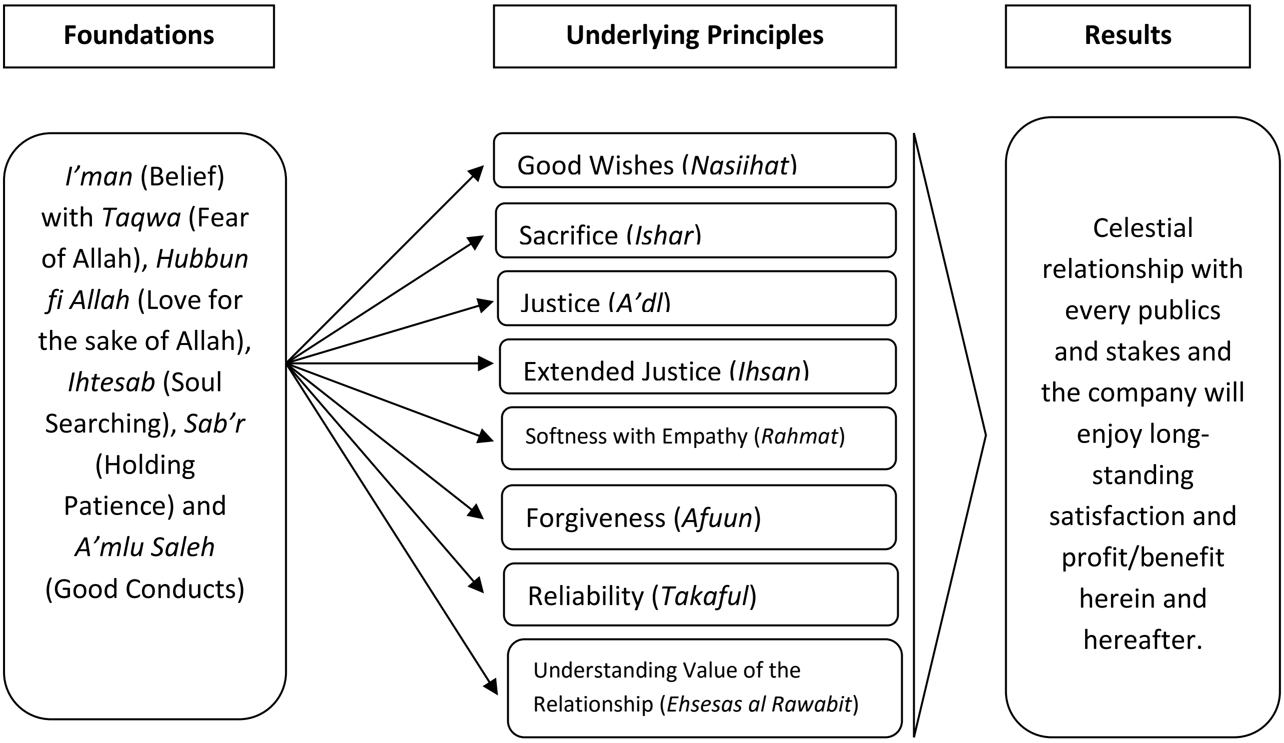
alternative livelihoods projects as part of their Community Engagement Programme. It wanted to empower people (Local Public) as part of their Public relation program. Chevron promised to hear the community peoples' concern on different issues related to the project. But Chevron heard a little the concern of the poor. Initially there were 'community consultation meetings', once the land acquisition process was complete, community liaison staff retreated behind the high wire fence of the enclave and only the elite leaders had any means of contacting them. There were no grievance procedures and no open meetings. Whilst the company did respond to farmers' complaints of damage to the environment, they acted without consulting the farmers. The main issue was the installation's high banked roads, which prevent water from flowing evenly over rice fields during the wet season. Chevron built culverts in the roads, but these were very small and became blocked with weeds. A year later, no further action had been taken.
Recently Anti Corruption Commission (ACC) of Bangladesh filed a suit against a Company Hallmark for taking loan of a substantial amount in an undue way. The Bangladesh Bank – the Central Bank of Bangladesh investigated and found that one of the branches (Ruposhi Bangla Hotel branch) of Sonali Bank (A Public Owned Bank) lent Hallmark Group (Not much renowned group) and five other companies Tk 3,547 crore (equals to 0.436 billion USD) between 2010 and May, 2012 on fake documents. The businesses embezzled the whole amount that belongs to depositors in collusion with some bank officials. Of Tk 3,547 crore, Hallmark Group alone took away Tk 2,686.14 crore, T and Brothers Tk 609.69 crore, Paragon Group Tk 146.60 crore, Nakshi Knit Tk 66.36 crore, DN Sports Tk 33.25 crore and Khanjahan Ali Tk 4.96 crore. Of the six borrowers, Hallmark has been found to be the biggest fraudster.
On March 28 this year, Hallmark opened local letters of credit worth Tk 500 crore in favour of Anwara Spinning Mills, Max Spinning Mills and Star Spinning Mills to buy yarn. The three companies are also clients of the bank's same branch. Following Hallmark's guarantee to repay the LCs, the bank purchased the acceptance bills and disbursed the money to the accounts of the three spinning mills. A few days later, the three mills asked the bank branch to transfer the money to the account of Hallmark Group and the branch duly obliged. Later, Hallmark transferred the money to a current account of Century International, a concern of the group. This report has been composed from a national daily – The Daily Star, Tuesday, 14 August 2012 issue.
Construction of a bridge of 6.15 km long and 21.10 m wide on the river Padma is a mega project of Bangladesh Government. Project's estimated cost is 3.0 billion USD when ADB was supposed to fund USD 615m, World Bank USD 1.5 b, JICA USD 415m, IDB USD 140m, Abu Dhabi Development Group USD 30m, and government would finance 50 million BDT. But suddenly it was observed that World Bank the contributor of major portion objected and somewhat refused to finance the project. The reason was corruption. In a statement, the bank accused the government in Dhaka of failing to investigate claims of high-level fraud in connection with the project (bbc.co.uk, 30 June 2012). BBC also reported 'corruption allegations also involve two former executives from Canada's engineering company SNC-Lavalin. The company has been under investigation by Canada's prosecutors for more than a year, and the two executives now face charges of trying to bribe Bangladeshi officials. The Padma bridge project aims to connect Bangladesh's principal sea ports and link to the Dhaka-Chittagong Highway. It is estimated that some 30 million people in the region could directly benefit from the new road and rail connection.'
The above are some of the instances of anomalies in the public relation activities and all these are happening as the corporations are somehow related to the corruptions. These practices do not fall in any ethical standard.

Islamic Views of Public Relation

In Islam the base/benchmark of relationship is 'Satisfaction of Allah (SWT)' and 'Brotherhood'. The foundation is *Taqwa* – The conscience or fear of Allah – The Almighty. Any one holds *Taqwa* can not find himself or herself indulging in things forbidden by Allah (SWT). Following verse from the Quran testify that the harmonious relationship among everyone is possible by inserting the true sense of *Taqwa* in one's inner self:
"*O mankind! We have created you from a male and a female, and made you into nations and tribes, that you may know one another. Verily, the most honorable of you with Allah is that (believer) who has Taqwa. Verily, Allah is All-Knowing, All-Aware.*" [Qur'an Chapter 49, Verse 13]
Prophet Muhammad (Peace be Upon Him) said, "*The most common thing which leads people to Paradise is Taqwa of Allah and good conduct, and the most common thing which leads people to the Hell Fire is the mouth and the private parts.*" [Tirmidhi]
As mentioned earlier the standard of our relationship is 'Love of Allah'. A legendary Islamic Scholar Ibn Taimiya said, *"The declaration of faith, there is no god but Allah, requires you to love only for the sake of Allah, to hate only for the sake of Allah, to ally yourself only for the sake of Allah, to declare enmity only for the sake of Allah; it requires you to love what Allah loves and to hate what Allah hates."* ***[Ibn Taimiya, al-Ihtijaj bil-Qadar, p.62.]***
In the life of a human being both 'Friendship' and the 'Enmity' are influential. So, it has become much rational from the part of Islam to set its standards. Enmity for the sake of Allah means giving up all those are restricted or forbidden by Allah; or not to make relations which those who have become derailed by the deception of Devil who have evoked the anger of Allah and who are astray.
An important aspect of Public Relation is keeping the promise. In Islam it has been given the utmost importance. In the Qur'an it has been said that: "*And those who break the covenant of Allah after its confirmation and cut asunder that which Allah has ordered to be joined and make mischief in the land; (as for) those, upon them shall be curse and they shall have the evil (issue) of the abode.*" *(Chapter 13, Verse 25)*
In Islam, there had a lot of instances of public relations. Usman Ibn Affan (Rd.) – The third successor of Prophet Muhammad (Peace be upon Him) was known as the leader of the faithful. He ruled approximately 12 years as the 3rd Khaliph of Islamic states. Uthman (Rd.) gain intricate knowledge of Islam and built an intimacy with Prophet Muhammad

(Peace be upon Him). Uthman (Rd.) gradually became a reference point for those trying to learn Islam and its instruction on different academic and practical issues. There was scarcity of water in Medina. The control of wells was very tight under a few men. Uthman (Rd.) procured and took the control of one well. It was an arrangement with another person that Uthman (Rd.) will use the well for one day and another owner would use the next day. The price was also half and half. Uthman dedicated his well for the Muslims and served water free of charge. Finally Uthman (Rd.) bought the whole well for a fair price and he continued to allow the water to be used freely by all and never reminded the people of his charity. Not only had that he had a lot of example of his charity, modesty and tranquility. When Muslim forces under the leadership of Prophet Muhammad (Peace be upon Him) started for fighting against the Byzantines at Tabuk prophet called on the wealthier people to give from their wealth and property to support the soldiers. Uthman (Rd.) presented 200 saddled Camels and 200 ounces of Gold. He also contributed 1,000 dinars. Finally he contributed 900 equipped camels (www.huda.tv).
Actually the Muslim Marketers even in the Muslim majority countries are mostly influenced by Materialism and or capitalism. They have got far away from having instructions from Qur'an and Sunnah. They are loosing concerns of the humane value.
Here has been portrayed a model following which the marketers particularly Muslim marketers in this world can move forward with a better public relation to handling or heading of unfavorable rumors against them and can build a strong brand which can benefit the marketers herein and hereafter.

Figure – 2: Foundation-Principles and Result Chain of Islamic Public Relation



***(Source:** This figure has been constructed by the author using different Islamic literatures*

The above figure guides the Muslim marketers to hold *I'man* (Belief) with *Taqwa* (Fear of Allah), *Hubbu Lil Allah* (Love for the sake of Allah), *Ihtesab* (Soul Searching), *Sab'r* (Holding Patience) and do *A'mlu Saleh* (Good Conducts) which will saw the seeds of Good wishes for every kind of publics, Sacrifice for them, Justice, Extended Justice, Softness with empathy, Forgiveness, Reliability, and conception of values. The ultimate results are favorable public relations and success herein and hereafter.

Conclusion

In conclusion it can be said that Islam is complete code of life which is quite capable of guiding our every aspects of life. Allah (SWT) has encouraged us to do business and forbidden us to discard Interest or Usury from our trade and transactions. *Qur'an* says: 'But Allah has permitted trade and has **forbidden interest**. (*Qur'an*: Chapter 2, Verse 275) ' Allah has said to be just and kind to relatives, colleagues, and neighbors. He says, 'And when [other] relatives and orphans and the needy are present at the [time of] division, then provide for them [something] out of the estate and speak to them words of appropriate kindness. (*Qur'an*: Chapter 4, Verse 8) ' In Bangladesh many companies are doing fraud and deceiving publics of different kinds, sometimes the publics particularly government public betray with the companies. But there also have companies which are trying to comply with the Islamic code of Ethics. It's really unfortunate when Muslim marketers do not comply with Islamic ethical standards. If they follow the model suggested and come back to the origin the business environment in Bangladesh will be a split of paradise *InshAllah*. However, researchers have the opportunity to work on more issues of Marketing. It can be extended and worked with another tool from Promotion Mix like work can be done on Advertising.

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Halal Cosmetics; Pakistani Consumer perspective

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Abstract:

Purpose: The study is articulated to envisage the intention of Pakistani consumers in choosing Halal cosmetic products. Their perceived ideologies about “Halal” regarding cosmetics are gazed as well.
Design/methodology/approach: The data was congregated through a self-administrated survey based upon judgmental sampling. A total of 500 respondents from two large cities of Pakistan (Lahore and Faisalabad) were involved in this study to determine the awareness about Halal Cosmetics and the extent to which Cosmetic Brands promotional activities had influenced the respondents’ preferences. However, the relationship between Halal awareness, Halal certification, promotion of Islamic brands and intention to purchase Halal products among the Muslim consumers of Pakistan had been put up to meet the entrancing objective of study.
Findings: The study found that deep seated tenets evolved from Islamic jurisprudence had constructive relationship with preference of Pakistani Muslim consumer’s intention to choose Halal cosmetics as attitude of Muslim consumers is contemplated upon the basic tenets of Islamic religion however some Halal cosmetic brands had been introduced in Pakistani market and people are likely to prefer it if provided conveniently.
Practical Implementation: The results of this study had expressed the beguiling demand for Halal cosmetic products that was predominantly influenced by Halal logo. Therefore, Pakistani government should give attention in devising and implementing the Halal logo policy and while ensuring that the cosmetic industries provide only those cosmetic products which meet Halal requirements.
Limitations/ Future Research: Limitation to be considered is generalization of the results. Despite the fact that Lahore and Faisalabad are two of three most populated cities in Pakistan and covers almost 5 percent of the country’s citizens, the results cannot be expected to explain the overall behavior of Pakistani consumers toward Halal cosmetic products.
Originality/value: This study is the first one to look into the level of understanding about Halal Cosmetics among Pakistani consumers.
Keywords: Halal, awareness, Consumers, Promotion.
Paper type: Investigative Study

1. Introduction:

Halal is a global pictogram for assertion of Islamic Shairah compliant way of life food processing to clothes designing, developing medicines, carrying trade/finance, conducting personal and social relationships and preparing cosmetics. It is centuries old guide but has appeared now with a new market vitality that must not be denigrated as, amplified realization and accessibility of Halal products had formed a need to boost global market for Halal cosmetics. Cosmetics had been entitled for revamping, beautifying, refining, altering and magnetizing the impression of a person (US Food and Drug Administration, 2005) and had become a popping Industry in Pakistan with more specialized and contemporary products, through an origin at domestic echelon. Massive market for cosmetics had been materialized but most of the brands had been offering goods in which the actual innards are not Islamically lucid thus, Halal verification and Halal authentication is extremely obligatory, Moreover manufacturers must be conspicuous about Halal status of proffered goods when operating in a Muslim segment as every sacramental faith deserves deference, even if anybody understands it or not. As per Islamic doctrines; Halal is painstaking for quality assurance and lifestyle predilection (Azmi, 2005) and is declared as one of the mainly profitable and dominant market domes worldwide. Halal market was estimated US$12 billion in 1999 (Riaz, 1999), that was amplified to US$150 billion in 2001 (Al-Harran and Low, 2008). Total worldwide resources under Islamic finance had been approximately estimated as USD500 billion, thus the whole irrefutable size of Halal industry had escalated from US$1 trillion (The Halal Journal, 2008). Religion had been becoming the reason behind escalating attractiveness for Halal and projected as more healthier and clearer in nature (Burgmann, 2007, Al-Harran and Low, 2008). The Islamic viewpoint on commerce is gaining more and more impetus and becoming a new market strength and brand identifier (Wilson and Lui, 2010). It is totaled that 70 percent of Muslims worldwide pursued through Halal standards (Minkus-McKenna, 2007). Thus, brands must realize what Halal is, to well please the needs of the marketplace. It is proscribed in Islamic jurisprudence to earn from gambling, lotteries, and the making, sale, and distribution of alcohol.
As it is stated in Quran
"O you who believe: Intoxicants and gambling, sacrificing to stones, and divination by arrows are an abomination of Satan's handiwork. Eschew such abomination, that you may prosper" (Qur'an 5:90).
According to vision of lexicographers, the word "khamr" is taken from the word "khamara", indicates utilization of any stuff, which can mortify the intellect, called intoxicant. Hence the prohibition of intoxicants in the above verse comprises not merely alcoholic drinks, but also drugs which have a similar effect.

The Halal cosmetics market is expanding and has captivated attention all around the world, thus; supplementary development initiatives are crucial for the promotion of the Halal industry in Pakistan. In contemporary situation, chemical examination could validate the Halal-ness of the food and pharmaceutical products through presence or absence of specific indicators, consequently a certain degree of assurance is medaled by Halal certification, as Halal products. This could be issued by any, of the 100 plus Halal certification organizations globally (The Halal Journal, 2008). In Pakistan, although several years, meticulous efforts of different national organizations could not alter the state of affairs, recently there had been only some local accredited bodies in the country obeying Halal standards rather, Halal certification is considered more obligatory to succeed in international market, there exists a calamitous need for an effectual crusade amongst those stakeholders to modify their vision. Now, Government of Pakistan is trying to boost the Halal industry through proclaiming that 50 percent financial support would be given to make easy business persons and producers to discover the Halal market that had offered a big opening to Pakistani goods as said by Trade Development Authority of Pakistan (TDAP). Halal markets have not been comparable universally, as each segment is secluded via civilization, locality, profits and other characteristics. The contemporary situation made it necessary to kindle cosmic change in the current outlook of our cosmetic industry.

Objectives:

1. Assess the need of recognition with Halal cosmetics.
2. Identify whether cosmetic consumers are conscious about cosmetics consumption or not.
3. Evaluate the relationship between consumer behavior and ideal consumption pattern of a Muslim consumer.

2. Literature Review

Muslim consumers had their own blatant particularity like other consumer segments, and are eagerly engrossing to get healthy and quality goods conformed through Shairah (Al-Harran and Low, 2008). Manifesto of every religion facilitates as a foundation of moral coaching in the society (Bowen, 1998), and believers prefer to follow it. The elevating population of Muslims worldwide had been presenting a profitable chain for food market but certain attention is needed in all consumables. Contemporarily, Middle East and Southeast Asia are two immense markets for Halal goods comprising more than 400 million Muslim consumers. Halal market had been anticipated to be trillions of US Dollars with a global support of approximately 1.9 billion consumers across 112 countries. The dominion of Halal has extended to all consumables like pharmaceuticals, cosmetics and many others. Muslims firmly obey with the instructions exposed in the scriptures, particularly about consumption behavior, in which "Halal" is deemed as more elegant in all affairs of life and "Haram" is considered as prohibited which must be avoided. There is still a comparatively big un focused market potential for Halal goods and services like Halal pharmaceuticals, cosmetics, Halal loans and insurance (Bergeaud-Blacker, 2001).

The word haram has been repeated 83 times in the Quran and is taken from 'Harrama' sense "to make illegal, to affirm as sinful (2:275, Al Quran). Achmad Mursyidi (2012) articulated non Halal substances in cosmetics and avowed them "Najas" (contaminated) ingredients, as general evaluating criteria. A few of them had been highlighted as; Keratin (chemical taken from human hairs) being consumed in coloring agent for hairs, Albumin (taken from human serum) utilized to dissolve active ingredient in cosmetics making, Placenta extract (prepared by confiscation of human placenta) which is considered as anti-aging product and it had been articulated that 320 tons of placenta are utilized per year, Hyaluronic acid (chemical taken from the womb) used for whitening the skin. These ingredients may be working well for skin beauty but proscribed in Islam. Through past studies, Haram things had been categorized in nine classes as; deceased animals, blood, swine and its derivatives (like pork, gelatin or lard), halal animals slaughtered in un Islamic way, animals slaughtered in a way that averts their blood drained completely from their bodies, intoxicants, alcohol (or khamr), carnivorous animals, birds with pointed claws like eagles, and reptiles (Mursyidi, 2012; Regenstein, 2003; Sazili, Che Man. 2010).

As, Hazrat Jabir ibn 'Abd-Allah (may Allah be pleased with him) affirmed that at the time of the Conquest, when Prophet Mohammad (SAWW) stated in Makkah: Allah and His Prophet (SAWW) have prohibited the sale of alcohol, pork, idols and dead meat.

It has been illustrated through upper hadith; sale and consumption of Haram things is prohibited, either to Muslims or non-Muslims. The crux one may understand from all upper hadith is that, whatsoever Allah has banned us to make use so it's also haram to sale it and use its price, as is confirmed obviously in the hadith: "When Allah forbids a thing, He (also) forbids its price." This is broad and complete phrase which is concerned to everything which is assumed to be used in haram ways.

Thus, Halal Cosmetic Products must be free of ingredients prohibited in Shairah law, must be prepared and processed in clean state and packing materials must be free of unlawful substances. The Standard Halal Cosmetics must be issued to confirm a Halal logo which is complied with several requirements supported by Shairah law. As studies indicated that a well marketed product can grab attention of a Muslim consumer but buying intention is directed through halal logo (Al-Harran and Low, 2008).So Halal cosmetics must be advertised with Halal Logo.

2.1. Conceptual Framework:

Author's have checked effects of two major interdependent variables (taken from previous literature) to assess the preference of Muslim consumers regarding cosmetics; these elected two variables are religiosity and promotional campaigns of different cosmetic brands.

(Fig 2.1.1)

As mentioned earlier, promotional activities had both limited and extended effects, on youngsters' adoption about certain products and influence their materialistic standards and approach (Buijzen, Valkenburg, 2003; Chan, 2003; Kwak et al, 2002; Moschis, Moore, 1982). In global demonstration popping trends had been spoken through advertisements and had become a noteworthy characteristic utilized by young consumers when judging a product (Herbst and Burger, 2002). As branded fashion goods can play emblematic roles (Hogg et al., 1998) and can easily cause fixing towards a particular brand which can be long or short term, which should be done according to religion, ethnicity and culture. If marketers recognize need for applying adaptive strategies accordingly through using Halal logo, they would definitely be getting better results. As Halal logo is being recognized as a new benchmark for safety, cleanliness or quality announcement even by non-Muslim consumers, and must be promulgated while advertising products. During Author's survey it was culminated that, adoption of any product on the basis of religiosity is reliant on two psychological approaches, which are; how much knowledge one has about Islamic values and second is how much effective this knowledge is one's practicing affairs, whether one is extremist, moderator or just believer. These two things will be more decisive regarding certain behavior of any consumer.

3. Research Design:

3.1. Study designs and methods:

This study examines the Halal consciousness of Muslim consumers regarding cosmetic utilization and influence of provoking actions of marketers to captivate Muslim consumers in eastern province (Punjab) of Pakistan and focused on the degree of awareness, influential factors and consumption pattern of Pakistani consumers.

3.2. Relationship between Consumer Behavior and Consumption Pattern of an Ideal Muslim Consumer

Consumer behavior had been sundry in understanding as Solomon (2009) inscribed it as the study of the routes, when people select, buy, utilize, or dispose of goods, services, ideas, or experiences to gratify needs and desires, it's an absolute cycle relating, selection, purchase, utilization, maintenance, and amputation of products and services (Campbell, 1995).It had been declared that consumer behavior persuades an individual to utilize his earnings but to increase income to meet all the necessities of life (Shah, 2005).Walters (1974), Mowen (1993) and Schiffman & Kanuk (2004) approved that consumer behavior is an erudition or research on how an individual decides to utilize all available resources to get goods related to consumerism. Sarimah Hanim Aman Shah (2005) stipulated that there had been six factors stimulating consumer behavior towards any purchase decision, primary factor was corporeal, psychological and emotional affairs. Next factor is internal (discernment, learning, individuality, behavior) and external (situational factors, reference groups, family) motivational factors. Third is the analysis of individual consumer or organizational consumer. Fourth is the process of pre-purchase activities to post-purchase activities. Fifth is the role of consumer as an influencer, purchaser, decider or user. Sixth is, particularity of each consumer, which is expected to be satisfied (As, Muslim Consumers have their own ideologies being reflected in their consumption behavior). As, Imam Mohamed Baianonie (1997) stated an ideal consumption behavior, of a Muslim. Psychological approach of any Muslim is marketers must have complete knowledge about Muslim Consumers; being a consumer, with an internal motivation that goods and services those are being offered to Muslims must be Shairah compliant, grabbing attention of marketers as an identical market segment and must be provided with perceived characteristics of products (through Halal certified products) as an external motivation, which would direct consumer to analyze whether utilization of product is escorted by a good intention and is carrying out with excellence; such customer satisfaction would lead towards repurchase of a certain commodity and promulgate satisfactory consumption experiences to others with a sense of contentment that product lies within the confines of religion (no malevolence, no disobedience of Allah) and not creating any hurdle in religion obligations like prayer, and satisfying his Muslim identity.

(Fig 3.1)

3.3. *The research instrument:*

The data for the survey was congregated through a self-administered questionnaire. The questionnaire was divided into two sections. The first section of the questionnaire was about demographics of the respondents. Second section highlighted privileges and consumption pattern of Pakistani consumers regarding cosmetics and responses were analyzed on a scale. The questionnaire was prepared in English.

Judgmental sampling procedure was adopted. The sample of the study encompassed 500 Pakistani consumers (males and females), mostly youngsters. Data collection was carried out in D. Ground (Faisalabad), Shopping malls, Anar Kali (Lahore and Faisalabad) and students of different universities and colleges from both cities lent their hand in data collection. These sites were chosen to proffer, shopping environment with customers involved in purchase of different cosmetic brands and convenience sample was available as well. Customers from a wide multiplicity of population segment persistently visit D-ground and different shopping malls to purchase cosmetics. Sirgy et al. (2000) recommended that stores situated in hefty shopping malls were perceived as "being conspicuous" and one can easily be seen to shop. The initial screening of respondents was completed by the author in cosmetic stores. The respondents were requested to contribute in the research by either filling in the questionnaire or answering the questions.

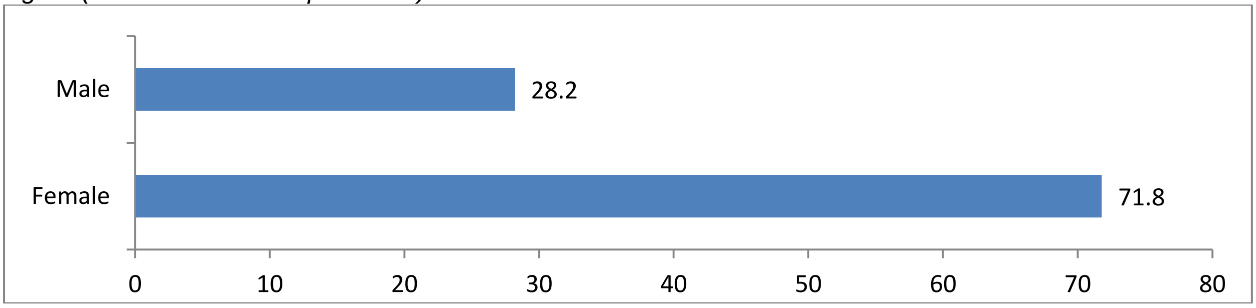
3.4. Statistical analysis technique

Percentage/Proportionate technique was utilized through Excel package, graphs, pie charts frequency tables were plotted to make it to be seen and have a check of evaluated percentage in different parameters. Using Excel package demographics of respondents were represented in pie charts and consumption pattern of Pakistani consumers have been analyzed whether Halal logo or Halal certification for cosmetics is pertinent for cosmetic industry working in the premises of an Islamic Country like Pakistan or not.

3.5. Respondent's profile

Analysis presented an insight of demographical characteristics of sample. In accordance with the first section of questionnaire, interviewees were asked about their general demographic information.

Fig 3.2(Gender of the Respondents)



In this study out of 500 respondents, 359 female and 141 male respondents were encompassed and are expressed through Fig 3.1.Cosmetics are very much into our lives even any person who had not been under the zeal of popping trends in Cosmetics, is utilizing shampoos, conditioners, hand and body lotions as a basic necessity, In contemporary circumstances our lives are no more without cosmetics. Female consumers are more influenced through popping and wonderful blend of colours in (eye shades and blush on's) cosmetics and previous studies indicated that women had more been involved in fashion than men (O'Cass, 2004). Gould and Stern (1989) elucidated that fashion conscious females are apt to focus more on their own external appearance, conversely, males who had been more fashion conscious more focus on what they are, and connect fashion with their self-identity and internalized masculinity. Standard marketing wisdom unconcealed that 80 percent of all buying decisions are made by women (Cleaver, 2004).

Working Status of Respondents

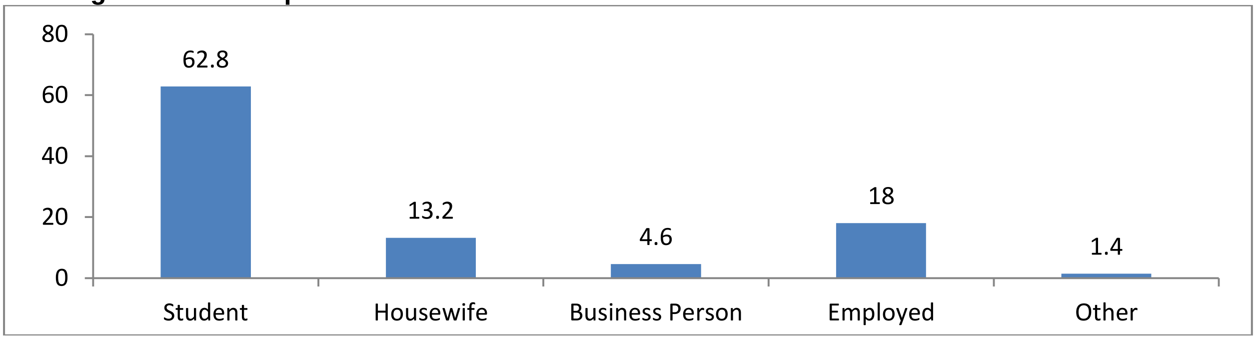


Fig 3.3

Working status of respondents has been indicated in Fig 3.2. In this Study, 62.8 % students from different universities of Lahore and Faisalabad, 13.2% Housewives, 4.6 % business persons, and 18 % employed people were involved in the study, 1.4% were those males and females who were either not working nor studying, So were taken in the category of "Others".

Age Classification of People Surveyed

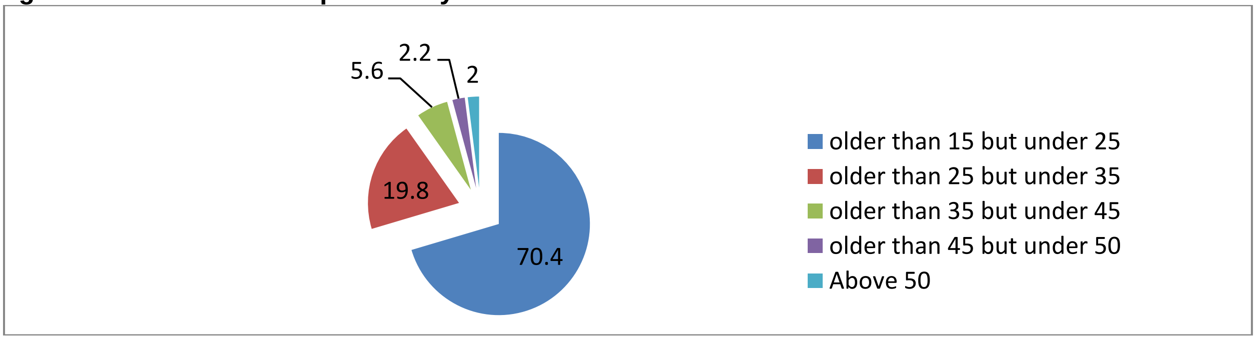


Fig3.4

Fig 3.4. has been indicating different age groups of people surveyed. Five age groups were categorized to get it estimated; each respondent belonged to a specific category out of five. As it has been represented 70.4% respondents were falling in the category of 15-25 age group,19.8% were in the age group of 25-35, 5.6% were in 35-45, 2.2% in 45-50 and only 2% were estimated to be in the category of "above 50".

Fig3.5. (Consumer's Preferred Cosmetic Brands)

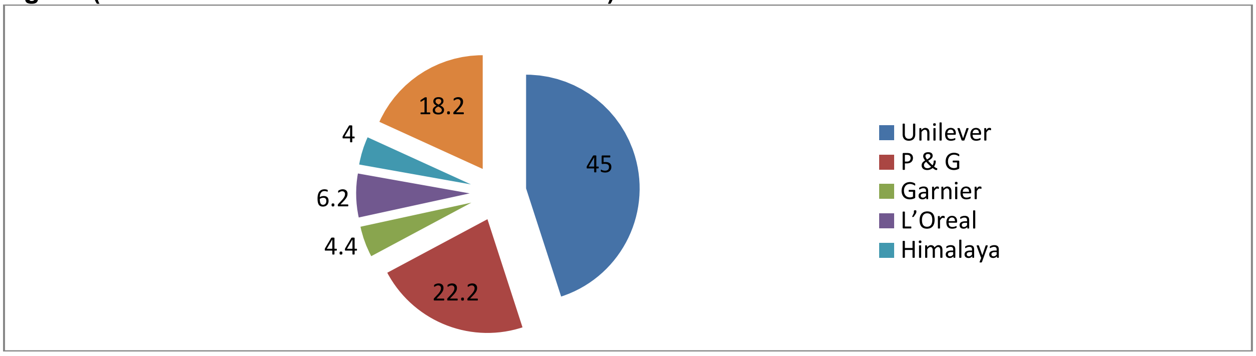


Fig3.5. has been expressing Pakistani consumer preferred cosmetic brands. Five Preferably utilized cosmetic brands were taken randomly, to envisage the preferred one from each respondent, and any other brand other than these five was considered as "Other". Majority of 45% respondents, who were females, perceived commonly preferred cosmetic brand as fairness creams that they have been consuming frequently, and Spluttered "Fair & Lovely" and POND'S, (brands of Unilever), 22.2% respondents were preferring P&G, It has also been proffering a wide range of cosmetics and households, People with biased opinion were first used to say we don't use Cosmetics just to conceal cosmetics consumption, Author's confronted them through further elucidation, as even if they are not under the zeal of cosmetics, are they consuming any Shampoo or not, thus they told their shampoo brands, however such respondents were a few in number, or sometimes male respondents. So, criteria of assessing cosmetic consumption were different from person to person or due to gender differences.4.4% people were using "Garnier" products, 6.2% were consuming L'Oreal,4% were preferring "Himalaya" and remaining 18.2% people were those consuming different brands national or international, some vivaciously alluring responses were with "Odho" "Luscious" "Olay" "Medora" "Tony & Tina" "Sweet Touch" and many other brands.

3.6. Findings; Consumption Patterns of Pakistani Consumers)

98 percent of people living in the premises of Pakistan are Muslims and conscious about Halal Consumption., however, majority of respondents had estranged ideologies between edibles and external consumables. They were of opinion; they would love to consume Halal Cosmetics. If there is any Non Halal cosmetics being supplied to them ,even they were not knowing that Shairah proscribed ingredients are being utilized in production of many cosmetics brands, as only 39.8% people were knowing that Halal cosmetics are being manufactured in International as well as national market and being proffered in Pakistani market. Thus, a big ratio of 61.2% was unaware, and sometimes abashed on their ignorance or frivolous consumption of Non Islamic cosmetics. Promotional campaigns can affect the consumption patterns of young people (Buijzen, Valkenburg, 2003; Chan, 2003; Kwak et al, 2002; Moschis, Moore, 1982). As majority of surveyed people were youngsters and 63.4% were of view that advertisements are directing their purchase decision sometimes.

Table3.6. Response of Interviewees

Sr.	Statements	Yes (%)	No (%)
1	Awareness about Halal Cosmetics	39.8	61.2
2	Temped by promotional campaigns	63.4	36.6
3	Fixed with some brands	55.8	44.2
4	Love to prefer Halal certified Cosmetics, if provided conveniently	82.2	17.8
5	Cosmetics other than "Halal" (certified) have sadistic effects	64.6	35.4
6	Satisfied with Cosmetics having alcohol as an ingredient	26.8	73.2
7	Halal Logo is promulgating purity and elegance?	83.2	16.8
8	Moderator in Religious affairs	72.2	27.8
9	Conscious about Halal Consumption	82.6	17.4

55.8% respondents were fixed with some particular brand and were satisfied with them whatever they were using, due to their previous experience. Halal logo is elementary and could not be taken lightheartedly, or must be certified by a credible authority (Baig, Saeed, 2012) as 82.2% surveyed people were of vision to love to consume Halal certified cosmetics if provided conveniently in the premises of their country, that's why global halal market is mounting at an escalating rate of two billion Muslim consumers worldwide. Though, six million only had been assessing Halal goods (Bernama, 2006) which show that promulgation through Halal logo can cause more customer satisfaction. More than half of respondents (64.6%) were supporting that products other than Halal certified could harm their body, which must be advertised and ensured via Halal logo throughout the world. The halal logo not just assures Muslims what they utilize is according to the Islamic tenets but also supports manufacture to fulfill halal standards (Ariff, 2009). Halal Assurance System must be executed by manufacturers to promise products being produced are halal and had been based on three zero's notion, postulated as, zero limit (100% halal production process), zero defect (Product is halal) and zero risk (no detrimental risk involved on the part of manufacturer) (Chaudry, et.al 1997). During the survey author's computed that 73.2% respondents decided to never prefer alcohol in cosmetics as they had very clear picture about prohibition of alcohol, as Prophet Mohammad SAWW said "They cannot buy, sell, or carry wine" (Ibn-i-Majah), as avowed by Wilson (2010) that Ingredient branding had been playing a vital role in Muslim Psyche through which validity and inheritance are appraised. It was computed that 83.2% respondents affirmed Halal as a symbol of purity and elegance, as it has been stated, Halal feature is currently established as a quality system, captivating Muslims as well as non Muslims (Ariff, 2009). 72.2% avowed theirselves, moderator in religious affairs and remaining were extremists, that doesn't mean they were dubious about their religious values, but were trying to practice what exactly is within jurisprudence of Islam not beyond it. The most effectual thing was that, 82.6% respondents were of opinion that religious had deep seated reflection in their purchase decision and retorted as they were not expecting that anyone can raise such sort of question, as it was very obvious, as being Muslim to purchase according religious values.

4. Conclusion:

It has been concluded that valuable investigation of consumer intention to choose Halal products can better lead to foresee and gratify customers and company objectives. Halal is an Arabic word holding the meaning of "permitted" that had not only been applicable to foodstuff but also in all of the other affairs of life, whether edibles or consumables. Cosmetics industry is massively materialized worldwide, but regarding Muslim world there is certain need to relook over its production processes and certification issues, due to the utilization of alcohol, pork, dead meat and other prohibited ingredients in formation of cosmetics. As Prophet Muhammad SAWW stated

Muslims cannot buy, sell, or carry wine. *Ibn-i-Majah* vol.4:3380-3381 p.493-494; vol.4:3382 p.494. *Selling alcohol is forbidden.* Bukhari vol.1:449, p.267, *Muslims are also forbidden to sell wine, idols, and pork. Sahih Muslim* vol.3:3840 p.828-830.

Following is culminated out from the discussion above;

- Muslims are no more gullible nation due to accreting awareness. Halal certification is mandatory for Cosmetics manufacturer which must be considered to apply for certification if they intend to imprison the market globally. Literature ensures that Halal goods and Islamic pecuniary Services represent a combined potency of more than one trillion USD per annum, and market monitoring indicates that the current strong growth trends can be expected to continue over the next five to ten years (The Asian World Street Journal, 2005).
- Halal awareness, Halal certification and promotion of Islamic brands were affecting the purchase intention, whereas non Halal ingredient composition of cosmetic brands can badly hurt the business of International cosmetics brands in Muslim countries in coming days, as Halal is painstaking for quality assurance and lifestyle predilection (Azmi, 2005).
- Halal status (for cosmetics) is dramatically gaining worldwide appreciation and this is not just due to the reason that Muslim Ummah is mounting in number, but more pertinently, Halal is being renowned as a new benchmark for hygiene and quality declaration.
- Cosmetics marketers and policy decision-makers must follow acculturation related strategies in their production and promotional efforts when targeting Halal cosmetics market segment in Pakistan.

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Effects Of Religiosity On New Product Adoption

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Abstract:

Purpose: This study is elected to explore the connection between religiosity and new product adoption amongst Pakistani consumers. This paper had been shedding some light on measuring sound effects of religiosity and the perceived ideologies of Pakistani population about proffered pharmaceutical products in the market.
Design/methodology/approach: Total 500 respondents were involved in the study from Faisalabad through judgmental sampling to envisage the adoption pattern of Pakistani Muslim consumers; here religiosity is symbolized as independent variable and was analyzed utilizing five dimensions: sacramental, rational, consequential, ideological and investigational, moreover new product development will be signified as dependent variable.
Findings: Islamic tenets had influenced the adoption of new pharmaceutical products among Pakistani consumers as their attitude persuaded adoption patterns that were reliant on religiosity. All possible substitutes within different dimensions were assessed to find out the most appropriate combination of dimensions which provided the desired output. Religion is an element of culture that permeates every aspect of a society and saturates the life of individuals whether one is a believer or a non-believer and cultural dimensions are very vibrant in a society, as religious doctrines shape a secure and stagnant pillar in the society.
Originality/value: This paper will assist to highlight its significance and implications in business decisions within the premises of an Islamic country.
Keywords: Religiosity, New products, Pakistan

1. Introduction

Religion is a set of thoughts and practices by which group of people construes and reacts to what they feel is mystical and sanctified (Johnstone, 1975). Usually religion prescribes or proscribes certain actions including product utilization behavior. Schiffman and Kanuk (1997) avowed that follower's of different religious groups buying decisions are influenced by their religious identity. Such fact is extensively recognized in international business and marketing textbooks. Firms with a clear knowledge of their resources are likely to perform more effectively because they can control existing resources to develop new processes (Prahalad and Hamel, 1990).

Since Muslim religious practice seems being reinforced, with a more tangible respect to religious duties and prescriptions, there is hence a vast opportunity to adapt products and services to this market. Religious obligations had a vital position in shaping the approach of people towards life. Dissimilar religious factions like Muslims, Christians and etc have conflicting beliefs. These values cannot be shunned while analyzing a society (Fam et al., 2002). Religious tenets control the approach and stances of people towards consumption (Jamal, 2003). Moreover, religion stipulates forbidden and permitted things and influences the consumer's consumption choice as utilization of pork is forbidden in both Islam and Judaism but is permissible in Christianity. Consequentially, religion effects what consumer's belief, prefer, and detest (Fam et al., 2002).

Adila (1999) indicated Islamic practices as a dimension of religiousness and entitled it more evident and noticeable than other, and divided it into different proportions like; knowledge, belief, consequences and understanding of excellence. Practice of Islam comprised of behavior of a Muslim, which is painstaking for righteousness rather than a dependent measure. Islamic knowledge is based on Quran and Prophet Mohammad (SAWW)'s acts and breaching Islamic values is a sin, while earning through halal is considered as act of worship. Islam proscribes Riba, anomalous profit margins, accretion of wealth and proffers the concept of Halal which is elucidated as Shairah compliant that involves prohibition of haram ingredients, mistreatment with labor or environment and harm consumption of any product. It's compulsory for Muslims to clearly inspect products whether they are halal and stay away from products those are dubious.

A Muslim with full knowledge of Islam has high sense of its understanding, which drives him towards strong affirmation of truth with tongue, witnessed by his heart and reflecting in his actions, is assumed as a practicing Muslim. Thus, authors supposed that a person who acts upon the religious obligations would be more religious rather than those who do not persistently and vigilantly performing them. Judgments about the extent of religiosity were gauged using 5 dimensions; these are ideological dimension, sacramental dimension, rational dimension, consequential dimension and practical dimension.

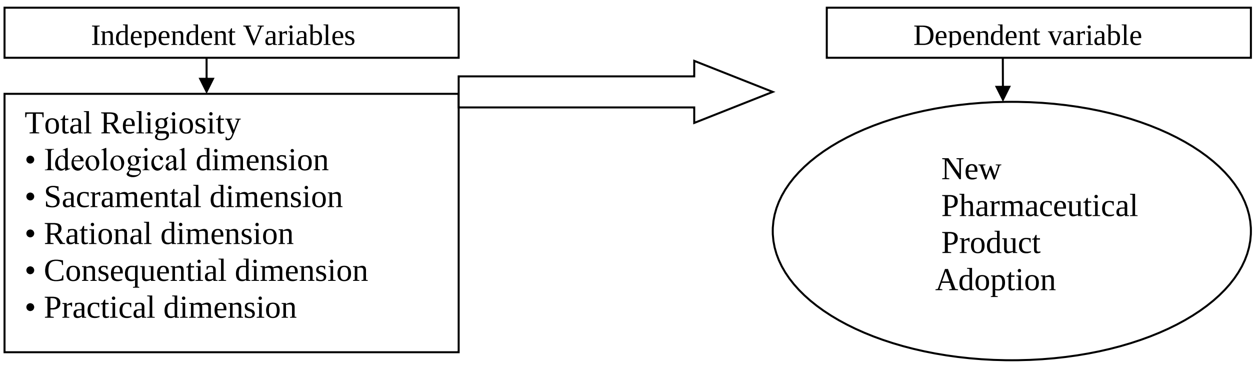
The results of this study will present a noteworthy contribution towards a better thoughtful of the Muslim consumer's attitude in adoption of new products. Such an understanding will assist both, marketers and consumers as well.

Most non-Islamic items being proffered in the market are pork and its outcomes like pork, lard, gelatin, and many others. Besides, it is also possible to find dead meat, blood (especially in local market) and meat attained from slaughtering in non Islamic way. Achmad Mursyidi (2012) articulated, besides in food, some non-halal items are also found in medical preparation which can be listed as Insulin, which is similar to human insulin. Nowadays, it is still being used for about 17 % of the time, but human insulin and cow insulin of about 70 and 8 %, respectively in medicine formation other is, Heparin, which is being used as anti-coagulating agent to prevent blocking blood vessel, and is obtained from pig (sodium heparin recognized as Lovenox), third is Gelatin, that can be derived from animal collagen like pig. Gelatin from

pig is more abundant than to gelatin derived from halal animals and plants and Alcohol, is being used in cough syrups or many other medicines. Consequently, Muslim must be aware to this reality.
The major rationale of this research is to seal the knowledge breach through getting verification from the second biggest Muslim country worldwide, Pakistan, through investigating the collision of shopper's religiosity on consumers new pharmaceutical product adoption.

2. Literature Review:
Research indicated that consumers are more eager to buy a new product that is more innovative and anticipated to perform well (Hirunyawipada and Paswan, 2006). Being conversant about the new product also affects consumers' choice to accept or reject it; as stated that insufficient knowledge about any product can avoid its purchase (Lai, 1991) as Product knowledge is pertinent to adopt new product. Literature brazened out the brunt of religiosity on purchasing behavior of consumers (Jackson, 1995; Bonne, 2007; Yun et al., 2008; Montgomery, 2002; Anderson et al., 2000). Predilection for new products is dependent on sanctified values (Yun et al., 2008). Separate discipline is not solely due to an identified need and demand generated by consumers; but more importantly because existing schools of brand thought and frameworks appear to have gaps, which necessitate investigation and refinement. Many proactive factors have spectacled a constructive relationship between adoption of new product and religiosity. To inspect the association between religiosity and its influential power on attitudes of people, religiosity will be treated as the independent variable on the other hand new product adoption will be treated as dependent variable. Usually, religion can be defined as a strong confidence in a supernormal authority that pedals human fate or a foundation to have faith in a divine supremacy. However, a more specific description is required to accomplish this study. (Glock, 1972) presented a model in which religiosity has been defined through harnessing the ideological, sacramental, rational, Consequential, and practical dimensions. Here, ideological consists of general values allied with the religion like faith in Allah and His Prophet (SAWW). The sacramental dimensions comprised of the actions prearranged by religion like prayer, pilgrimage, and etc. rational refers to an individual's awareness about religion. Consequential dimensions passed on to the consequences of the religion though, practical dimensions portray the realism of a religion. Relationship between the variables is recapitulated in the following hypothesis: Consumers are likely to use products existing value observation to assess the new offerings if an existing brand is used to introduce a new product (Vaidyanathan and Aggarwal, 2000). New product adoption can be based on many factors named as; product exclusivity, suitability, functionality and, full information about the new product also persuades consumers' judgment to accept or reject any product; as consumers with less information tend to shun purchase of a particular product (Lai, 1991). The collision of religion on diverse human aspects has been examined by many researchers in the social sciences (Jackson, 1995; Bonne, 2007; Yun et al., 2008; Montgomery, 2002; Anderson et al., 2000) and elucidates the significance of religion in the social life of human beings. Thus, consumer's wish to hold prestige brands, may work as a symbolic indicator for consumers, and to match the majority view, consumers utilize the perceived extended self-value of prestige brands to enhance their self-concept (McCracken, 1986; Belk, 1988; Dittmar, 1994).

3. Conceptual framework
The conceptual framework of this study centers on the development of this model to measure the impact of Religiositic factors on new product adoption through investigating the relationship between religiosity of a consumers and their acceptance towards any upcoming pharmaceutical product.
Fig .1.



In this study, Overall religiosity of any consumer had been accessed through five dimensions, which are ideological, sacramental, rational, consequential and experimental dimensions, these are taken as independent variables. On the other hand adoption of any new pharmaceutical product was taken as dependent variable.
Further, Authors believe that adoption of any new pharmaceutical is arbitrated by religiosity. The present study thus attempts to bridge the gap by providing a basis for a thorough and insightful discernment of religiosity of Pakistani consumers and their behavior to take on any pharmaceutical product. The model proposed that there is a strong relationship between the dimensions of religiosity and Muslim consumer product adoption.

4. Methodology

To envisage the relationship between religiosity and new product adoption, Self administered questionnaires will be distributed among university students of Lahore Faisalabad in Pakistan, via judgmental sampling methodology. The intensity of responses will be noticed on Likert scale, where 1 meant strongly disagree and 5 meant strongly agree. The questionnaire is divided into two sections. The first section of the questionnaire is about general information of the respondents. Second section focuses on factors which may have an effect in adoption of a new product. A pilot study will be performed to test the aptness of the instrument. A total of 500 questionnaires will be distributed, collected, and examined among respondents. The results of the pilot study will express the certain desired output; consequentially a mean correlation between religiosity and New pharmaceutical product adoption will be measured using the mean correlation through SPSS to determine the overall sample size.

4.1. Hypotheses development

Based on the extensive study of previous research, the following hypotheses are proposed:

H1. There is a significant relationship between religiosity and Muslim consumers' adoption patterns regarding new pharmaceutical products.

5. Results and analysis

5.1 Demographic profile

520 survey questionnaires were distributed, and 500 were received back. Out of them 10 respondents or 2.0 % of the total sample, were researchers from different countries like UAE, Malaysia and United States, and survey questionnaire was sent to them electronically through emails, who can better understand research objective, other 490 respondents were students, housewives, businessmen and lecturers from different universities in Faisalabad, but majority of 79% were students. Females were more in number and male were only 167 or 33% of the total sample. The general profiles of the respondents are summarized in Table I

Gender	**Frequency**	**Percentage**
Male	167	33.4
Female	333	66.6
Total	500	100.0
Age (in years)		
15-25	435	87.0
26-35	52	10.4
36-45	10	2.0
Above 50	3	.6
Total	500	100.0
Working status		
Student	395	79.0
Housewife	10	2.0
Businessman	16	3.2
Employed	79	15.8
Total	500	100.0

Table I (Brief summary of Table I: 33.4 percent of the respondents were male, while a majority i.e. 66.6 percent of them were females, 87.0 percent of the respondents had age 15-25 years, while 10.4 percent of them had 26-35 years, 2.0 percent of them had 36-45 and only 0.6 percent of them had above 50 years of age. 79.0 percent respondents were students, while only 2.0 percent of them were housewives, 3.2 percent of them were businessmen and 15.8 percent of them were employed)

5.2. Ideological dimension of religiosity:

In table II, responses of respondents were evaluated on the basis of basic ideologies of Islam, to assess how much one accepts basic ideologies of Islam.

Ideological dimension **N = 500**	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Mean	SD
	F	%	F.	%	F.	%	F.	%	F.	%		
Strongly believe, basic ideologies of Islam	466	93.2	26	5.2	8	1.6	0	0	0	0	4.92	.33

Muhammad (PBUH) is Allah's last Prophet	493	98.6	7	1.4	0	0	0	0	0	0	4.99	.12
Allah is only One	489	97.8	9	1.8	2	0.4	0	0	0	0	4.97	.18

Table II: Scale: 1 = strongly disagree, 2 = Agree, 3 = Neutral, 4 = Agree, 5 = strongly agree

Table II, presents the ideological dimensions of religiosity. A greater part i.e. 93.2 percent of the respondents were strongly agreed, 5.2 percent of them were agreed with the statement "I have firm belief in all basic ideological dimensions of Islam", while only 1.6 percent of them were neutral with this statement. Mean value (4.92) also shows that overall respondents had thinking that they have firm belief in all basic ideological dimensions of Islam.
98.6 percent respondents were strongly agreed and 1.4 percent of them were agreed with the statement "Muhammad (PBUH) is His last Prophet". Mean value (4.99) also highlighted that all of the respondents reported that the Muhammad (PBUH) is His last Prophet. 97.8 percent respondents were strongly agreed and 1.8 percent of them were agreed with that they believe in Oneness of Allah. Mean value (4.97) also showed that all of the respondents all of the respondents were of same opinion.

5.3. Sacramental dimensions of religiosity:
Sacramental variables were comprised of obedience of a person towards the basic ideologies of Islam; during the survey some important questions were raised to best evaluate the sacramental dimensions of religiosity.

Sacramental dimensions **N = 500**	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Mean	SD
	F	%	F.	%	F.	%	F.	%	F.	%		
Regularly offer five times prayers	144	28.8	181	36.2	168	33.6	5	1.0	2	0.4	3.92	.83
Regularly observe fast, during Ramadan	275	55.0	163	32.6	60	12.0	0	0.0	2	0.4	4.42	.73
Regularly recite the Holy Quran	164	32.8	152	30.4	172	34.4	10	2.0	2	0.4	3.93	.89
Perform Hajj if I meet the set criteria	394	78.8	98	19.6	8	1.6	0	0.0	0	0.0	4.77	.46

(Table III) Scale: 1 = strongly disagree, 2 = Agree, 3 = Neutral, 4 = Agree, 5 = strongly agree

5.4. Rational dimensions of religiosity:
28.8% respondents were strongly following, preprescribed criteria of five times obligatory prayers, 36.2% were of opinion that they try their best to offer their five times prayers and agreed with the statement.33.6% were those, who offer their prayers off and on the other hand 4.92% were not offering their prayers.87.6% respondents were used to regularly observe fasts during Ramadan, only 0.4% people were not fasting and 12% were neutral.63.2% were agreed that, recite holy Quran regularly, only 2.4% were not agreed that they are used to recite regularly, others were neutral. Another question was asked about pilgrimage, whether respondents would love to perform it if capable of, and got an opportunity too, so 98.4% respondents said "Insha Allah" (If Allah wills) with full excitement,1.6% respondents were neutral, and no one disagreed.In this section, rational approach of respondents regarding sacramental believes of Islam was assessed. 436 respondents that were 75% of respondents said that they would never prostrate to anyone else except Allah, others were those, who were prostrating to saints graves.460 responded that they always try to avoid haram means of earning; others were either neutral or sometimes disagreed.423 were those who said we always try to avoid major and minor sins, while remaining 77 were not following this. Out of 500 respondents, 474 were following Islamic junctions in all matters of life, remaining others were not following.

Rational dimensions **N=500**	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Mean	SD
	F.	%	F.	%	F.	%	F.	%	F.	%		
Never offered Sajjda on saint's graves	375	75.0	61	12.2	16	3.2	18	3.6	30	6.0	4.47	1.12

Always avoid haram (prohibited) means	352	70.4	108	21.6	24	4.8	2	0.4	14	2.8	4.56	.84
Try to avoid minor and major sin	205	41.0	218	43.6	68	13.6	7	1.4	2	0.4	4.23	.76
Following Islamic junctions in all matters of my life	245	49.0	229	45.8	24	4.8	0	0.0	2	0.4	4.43	.62

(Table III) Scale: 1 = strongly disagree, 2 = Agree, 3 = Neutral, 4 = Agree, 5 = strongly agree

5.5. Consequential dimensions of religiosity:

Consequential is the actually the resultant of three, upper discussed dimensions. Every Muslim knows the basic ideologies of Islam, tries to follow basic sacramental rules and interpreters them according to their notion of believe.

Consequential dimensions **N = 500**	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Mean	SD
	F.	%	F.	%	F.	%	F.	%	F.	%		
It is essential to give respect to others according to Islamic tenets.	323	64.6	160	32.0	17	3.4	0	0.0	0	0.0	4.61	.55
Avoid any activity, which hurt others	298	59.6	169	33.8	28	5.6	0	0.0	5	1.0	4.51	.69
I always try to help those who need my help	312	62.4	176	35.2	9	1.8	0	0.0	3	0.6	4.59	.59
I try to be honest and fair with others	303	60.6	154	30.8	36	7.2	4	0.8	3	0.6	4.50	.72
I always avoid humiliating others because Islam does not allow doing so	285	57.0	188	37.6	25	5.0	3	0.6	0	0.0	4.51	.61

(Table IV) Scale: 1 = strongly disagree, 2 = Agree, 3 = Neutral, 4 = Agree, 5 = strongly agree

Consequential variables are derived from their interpretations those are based on particular notions of believe, according to which 483 respondents stipulated that they always respect others, only 20.4 were neutral, and were saying that it depends on people, with whom you are dealing, and how is the other person, similarly, 467 were of opinion, that they avoid to hurt others. Most of the people during the survey responded positively, to all of the questions lying in consequential dimension as, 488 people were willing to help people, who need their help,457 were trying to be honest and fair with other people,473 said they try their best not to humiliate others with mean value of 0.61.

5.6. Practical dimensions of religiosity:

This section comprised of; what people do in their daily practice, how do they react in following situations.

Practical dimensions **N = 500**	Strongly Agree		Agree		Neutral		Disagre e		Strongly Disagree		Mean	SD
	F.	%	F.	%	F.	%	F .	%	F.	%		
I feel sorrow and dissatisfaction when I do something against my faith	348	69.6	143	28.6	9	1.8	0	0.0	0	0.0	4.68	.50
I have feeling of being tempted by devil	159	31.8	214	42.8	112	22.4	9	1.8	6	1.2	4.02	.85
I have feeling of being afraid of Allah	374	74.4	116	23.2	10	2.0	0	0.0	0	0.0	4.7	.53

Table V: Scale: 1 = strongly disagree, 2 = Agree, 3 = Neutral, 4 = Agree, 5 = strongly agree
491 surveyed respondents said they really feel bad, when they do something against their faith, 373 felt, they are being tempted by devil, but reaction of each individual is directed by one's own will power, bestowed by Allah, otherwise no one can be protected against devil.490 respondents said, they are afraid of Allah in every matter of life, with mean value of 4.7.

5.7. "New pharmaceutical product Adoption" Variables:

During Authors survey it was culminated that Adoption of any new pharmaceutical product is reliant on their religiosity, so for this concern, some questions were raised, and their responses were as under; 380 people were saying they would personally assess by seeing ingredients of each medicines and analyze to decide whether they should consume it or not, on the other hand 66 were saying they would go for knowing others experiences about a certain pharmaceutical brand and then consume it.

New product Adoption **N = 500**	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Mean	SD
	F.	%	F.	%	F.	%	F.	%	F.	%		
I will buy medicine (pharmaceuticals)what I feel good about and never care about other's opinions	148	29.6	232	46.4	54	10.8	32	6.4	34	6.8	3.86	1.12
I feel pleasure by seeing others following Islamic teaching in medicine utilization.	388	77.6	96	19.2	16	3.2	0	0.0	0	0.0	4.74	.50
I will prefer to buy medicines free of alcohol	314	62.8	95	19.0	83	16.6	8	1.6	0	0.0	4.43	.82
I prefer to buy pharmaceuticals recommended by doctor (if Islamic only, halal)	310	62.0	125	25.0	60	12.0	0	0.0	5	1.0	4.48	.76
I will never purchase medicines with gelatin (taken from pork)	284	56.8	149	29.8	48	9.6	8	1.6	11	2.2	4.37	.89
I believe any ingredient prescribed in Islamic teachings is not good for health as well(medicines)	4	0.8	12	2.4	36	7.2	158	31.6	290	58.0	1.56	.79

Table VI: Scale: 1 = strongly disagree, 2 = Agree, 3 = Neutral, 4 = Agree, 5 = strongly agree

484 people told that, they really feel happy while seeing others following Islamic tenets in medicine utilization, and others were neutral, as overall responses were looked, total mean value was 4.74. During the survey 409 people responded that they would always prefer to utilize medicines free of alcohol, 16 were neutral about the statement, and 66 disagreed. 435 were saying that they would only consume medicine, which is recommended by doctor, if Islamic only, remaining 5 were disagreed and others were neutral with mean value of 4.43. Majority of 433 were avoiding medicines with gelatin derived from pork, 19 disagreed and remaining were neutral. During author's survey it was asked, if Islam permitted ingredients, are not good for health; responses were so astounding, as most of them (448) disagreed and said it's impossible that anything which is permissible in Islam, is not good for health, only 16 disagreed and others were neutral.

5.8. Correlation between independents and dependent variables

Variables	**Pearson correlation**	**P-value**
Ideological Dimension	.088*	.049
Sacramental dimensions	.100*	.025
Rational dimensions	.243**	.000
Consequential dimensions	.321**	.000
Practical dimensions.	.281**	.000
Overall religiosity	.327**	.000

Table V: Dependent variable: New Product Adoption
* = Significant
** = Highly significant

5.9. Hypotheses results:

Pearson correlation analysis was done to determine the role of religiosity on the adoption of new pharmaceutical product adoption. Table (V) shows two different ways of analysis. Firstly, each religiositic dimension was separately analyzed whether it is significantly correlated with new pharmaceutical product adoption or not, consequently, all of these variables were significantly correlated to NPPA, then overall religiosity was checked, to culminate out whether it is significantly correlated with the NPPA or not. Hence H1 was supported, and overall religiosity was found highly significant (.327**, p .000) with NPPA. So H1 was accepted.

Conclusion:

It was so appealing for the authors to see the influence of Islam in terms of effecting purchase and adoption of any pharmaceutical product, in the context of Pakistan. Hypotheses H1 examined in this research have supported the assumption that religion has greater control on the adoption of new pharmaceutical product. Consequently, it is factual that in Islam the actions of consumers are ruled by religious tenets. It was also inspected whether the results of the hypotheses can be supported empirically. This has been done by using data that were collected from a sample of 500 Muslims in Faisalabad, as Adila (1999), avowed Muslims take Islam as their source of reference when purchasing in general, or specific products. While this effect of religiosity on pharmaceutical product adoption has not been investigated before, highly religious individuals tend to perform in a relatively more mature, disciplined and responsible way, regarding adoption of new PPA, and found that religiosity is highly significant with new pharmaceutical product adoption. Islam as a religion has big influence on the purchase decision of Muslim consumers so, entrepreneurs whose countries have majority of Muslims, or who wants to penetrate the Muslim countries with their business should deem the ingredient of religion in the development and marketing of products, which contains developing a new product, promoting, pricing and placing as those are some of the main focus of Muslim consumers nowadays.

Limitations of the study and future research:

The respondents were only limited to the Faisalabad in Pakistan, still results are generalized to the overall population of Pakistan. Moreover, effects of other religiosities can also be assessed like Christianity, Judaism and many others.

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Zero Base Review Of Customer Behavior

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Her areas of expertise include customer relationship marketing, market orientation at bottom of the pyramid, marketing metrics and brand management.

Purpose:
A populous country like India with modernity and traditions alongside is definitely not easy to comprehend. How does one explain popularity of English and chanting of religious hymns at the same breath? We have corrupt politicians and honest and energetic youth wanting to give back to society co-existing. How does one explain this co-existence? How does one explain the population mix with one, a segment that does not have any identification, two, those who can be identified with a roof above their head with barely a meal per day and three, those who can afford to gift an Audi? One of the NGOs put together a training program on income generation activities to train zero base, asset-less population in Mumbai. And the trainers were robbed of their belongings during the training programme! The same training programme for a group of zero base asset-less population in a village has been successful in making entrepreneurs out of them. What explains this difference - geography, need, environment, exposure?
Consider the New Pension Scheme (NPS) that is one of the best pension products in India. It has all the features that customers want – portability across jobs and geographical boundaries, choice of investment options, options of choosing fund manager, no entry and exit barriers, and economical fund management charges. Though this is a near-ideal product, it has not attracted many retail customers. Experts within the Industry believe that lack of push has left this product with a poor take off. It is an irony that some products/ services end up being consumed just with minimum push where as high utility products and services which are developed accommodating customer needs and wants are waiting for aggressive push to get a break in the market. Why does the customer behave the way he/she does? Customer behavior is a black box that needs to be explored. It is almost like an amoeba. It is wobbly. It is unpredictable in how it shapes up every moment. But amoeba does react to stimuli. It is important to identify the right stimuli precipitating the desired behavior of customers.
Customer behavior is the heart beat of any business. It is every individual's responsibility within the organisation to contribute to understanding customer behavior. Especially with services, where there is no standard tangible offering that can be exactly seen, felt and compared, understanding what customers need is crucial. As explained in the illustration above, in the case of NPS, understanding customer needs does not lead the company to achieve the desired customer behavior. It is essential to identify the stimuli that customers react to. The study of customer behavior is both an art and science. The illiterate residents of a village in Gujarat use value added services provided by mobile operators more than the urban adult population. Interestingly their mobile phones display Chinese script. When an attempt was made to change it to an Indian language or English, there was resistance to the change as Chinese script was semiotically consumed by the population in the village. With mobile phone usage having penetrated into the length, breadth and depth of Indian urban and rural markets, isn't this piece of behavior an important customer insight for mobile phone and cellular service operators to accordingly offer and promote their offerings to a volume segment?
Some of the success stories (Amul, Docomo, Taxi services – Meru, Cool Cab etc) are because of superior understanding of why and how customers behave the way they do. Banks and financial institutions have come a long way in offering products and services in such a way that is mutually beneficial. Their investment in brand building and fine tuning offerings to suit customer requirements explain their respective positions in the mind of customers (SBI and ICICI occupying significant positions among global brands).

Method:
This paper is an exploratory study to revisit basics of customer behavior.
Data was collected through secondary sources, personal experiences, observations and conversations. This paper deviates from the standard research method. This paper is more an articulation to revisit *meaning and definition of customer behavior, borrowings from allied disciplines, types of customers, and customer buying behavior types*.

Meaning and Definition

All of us are customers/consumers in some sense or other. Each of us can be a shopper, buyer, user, purchaser, and/or end-user.

Let us first understand the words customer and behavior to begin with.

If I bought ICICI housing loan then I am a ‘consumer’ of ICICI products and services. I could be a potential consumer or a prospective customer for ICICI’s other products as well as for competing products and services in the market. Therefore, Customer can be said to be a potential Consumer. Consumer and Customer are mentioned as synonyms in the thesaurus and across some literature. Therefore, Customer and Consumer are used interchangeably across this paper.

Behavior in the thesaurus is simply the manner of conducting oneself. Behavior is also defined as ‘the actions or reactions of a person or animal in response to external or internal stimuli’

It would have been so much simpler if companies could exactly predict why customers buy, what they buy, when they buy, and how much they buy. Customers are the core for any business firm. Knowing customers and their behavior is the hardest possible science. The fact that there can be an explanation to every single move of the customer makes customer behavior closer to a science. Understanding customer behavior is essentially to derive customer insights to predict future behavior. But when it comes to predicting customer behavior, the number of factors that influence customer behavior in varying capacities is a challenge. The first challenge is to identify all the factors that impact customer behavior and the second challenge to understand each of their capacity to influence customer behavior. To address these challenges it is important to understand what drives customer behavior.

Consumer behavior as defined by Schiffman and Kanuk (2007) is the behavior that consumers display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs.

Not very different from the above is the definition of consumer behavior by Engel, Blackwell and Miniard (1993) – ‘those activities directly involved in obtaining, consuming, and disposing of products and services, including the decision processes that precede and follow these actions.’

Consumer behavior is the study of the processes involved when individuals or groups select, purchase, use, or dispose of products, services, ideas, or experiences to satisfy needs and desires (Solomon, 2009).

Therefore, *Customer Behavior is a study of processes involving individuals and groups when they react to stimuli (including marketing stimuli) and engage in pre consumption, consumption and post consumption of goods and services.*

<u>Borrowings from allied disciplines</u>

Customer behavior theories have their foundation in the fields of **psychology, sociology, social psychology, anthropology, demographics** and **economics**. Marketing theory has its foundation in these fields of study. Customer behavior in Marketing philosophy and theory has evolved over a period of time as customer has moved from being one of the stakeholders to the most important of the stakeholders in the marketing function. Now understanding customers needs and wants is central to marketing. Hence the social sciences from where Marketing derives understanding of customers is historically and directly the foundation for customer behavior studies.

Let us go through a quick run across these social sciences and understand how they connect to understanding customer behavior.

Psychology brings in scientific study of why customers behave in a certain manner. It traces behavior to the underlying physiological and neurological processes which includes perception, cognition, motivation, emotion, interpersonal relationships and behavior. Psychology uses empirical data to study customer behavior.

The need for a housing loan and the choice of a particular company can be enriched if one understands customer perception, customer motivation and so on and so forth about the psychology of the customer.

Sociology is the study of society that focuses on social stratification, social mobility, religion, law, secularisation and deviance. Sociology brings in an understanding of the customers and where they come from.

Different groups of people react to communication and products and services differently. For example why do people from Jain community not eat anything that is grown below the surface of earth? This insight has Pizza Hut in Gujarat modify its menu to include Jain Pizza!

Social psychology focuses specifically on interpersonal relations and relations between groups.

Anthropology which is a study of humanity brings in a wealth of understanding of origin of mankind and why and how they behave. This leads to understanding why different groups of people behave differently. Cultural anthropology or social anthropology adopts the anti positivist theory as against some of the other fields that use positivist approach. Anti positivist theory posits that natural science and human behavior cannot be compared. The field of social science contributes to broader understanding of traits of people and hence contributes through social anthropology.

Demographics is the study of structure and trends in basic characteristics of human population – age, gender, occupation, income, nationality. This is essential for a marketer to understand how markets are growing or shrinking. For instance, India has the largest young population as compared to the ageing western population. Demographic is one of the bases for segmenting markets.

The social science that deals with economics of consumption of goods and services is **Economics.** Why did most of use stop using usa.net for exchanging emails once it turned from free to fee where as, we willingly paid sixteen rupees per minute in the initial days of mobile telephony to receive a call on our mobile phones.
These theories are utilised by marketing managers for designing and implementing marketing strategy. The application of customer behavior theory includes market research, environmental analysis, segmentation, positioning and differentiation.

Types of Customers

The most important asset for any organisation is its 'loyal' customers. The term loyal is promiscuous in a business context as customers are constantly seeking better products and services. A few decades ago, customers never thought that services like banks, telecom, and airlines could have competition from private sectors respectively. Customers displayed behavioral loyalty to government services. Now the entry and exit barriers are fewer and choices are ample, and therefore, customers are forced to alter their loyalty to their choices. Studies on attitudinal and behavioral loyalty do provide an understanding of varying levels of loyalty of customers towards brands that is useful for businesses.
Typically customers are segmented based on demographic, geographic, behavioral and/or psychographic factors. Banks and financial institutions would have customer types based on income levels, investments with the bank, those who bring in more customers through referrals (education institutes offering advise on student loan), potential customers (student population getting into lucrative jobs) and more.
Customer types for banks could be based on the types of products they buy. For example savings bank account holders, fixed deposit holders, customers with varying amount of loans of various types – auto, home, business etc, credit card holders and so on. Each of these customer types could again be segmented based on recency, frequency and monetary value of usage and investment.
Credit card customers are typically classified based on segment and or usage pattern and classified as Platinum card holders, Gold card holders and Silver card holders. Each of these customer types differ in behavior (in terms of usage of their card). Again within each type there could be heavy, medium and light users. It is important to identify the customer types to then be able to invest in maintaining relationships with them accordingly for mutual benefit.

Customer buying behavior types

Henry Assael's buying behavior model describes four types of buying behavior as in Table 1: Henry Assael's Model of Buying Behavior types.

Table 1: Henry Assael's Model of Buying Behavior types

	High Involvement	**Low Involvement**
High difference between brands	Complex buying behavior	Variety seeking buying behavior
Low difference between brands	Dissonance reducing buying behavior	Habitual buying behavior

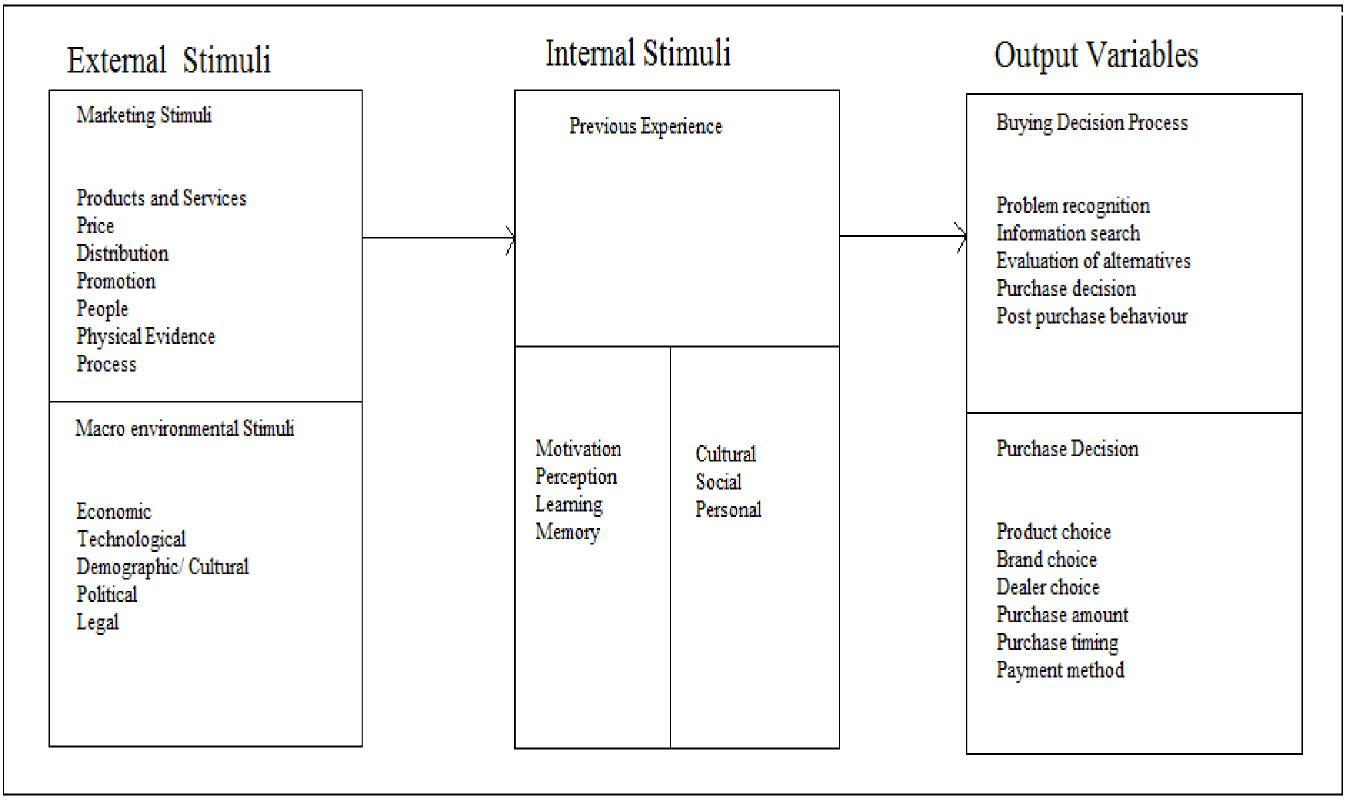
Complex buying behavior can be explained for those products that involve substantial information search and evaluation of options before purchase. Purchase of automobiles, kitchen appliances, financial investments, etc fall in this category. Customers spend a lot of time before taking a decision to buy high value gifts like luxury brands- perfumes, paintings, artefacts, holiday packages, real estate and the like. The time invested in taking a decision to buy is lesser compared to the time involved in justifying the choice. The customers look for some kind of assurance about their choice after having made a purchase. This behavior is termed Dissonance reducing buying behavior. Variety seeking buying behavior is best explained for biscuits, restaurants where customers look for variety and the purchase can be impulse or habitual. Products like salt, toothpaste display a habitual buying behavior which is desired for most brands as it is easier to retain customers once some of kind of customer loyalty is achieved. Some of the services once a certain reputation and ease is established with the customers, the purchase decision becomes habitual. For example we do not shift our preferences for long for services like doctors, banks, hair dressers etc.

Application of customer behavior to Marketing:

It is essential to able to track how, why and when customers behave in a certain way. There are numerous consumer buying behavior models (Howard Sheth model being one of the classics). A simple model explaining customer behavior – customer decision making process which can be used in marketing is as shown in Table 2: Consumer Decision Making Process.
Considering customer decision making process in business to customer context, Table 2: Consumer Decision Making Process
shows the decision process as output variables. The output variables are influenced by external stimuli – marketing stimuli, macro environmental stimuli and internal stimuli.

How does this model help a bank marketing home loan?
The following questions seem pertinent to understand the above.
1) What are the factors impacting the customer?
2) What kind of information is useful for the customer to take a decision?
3) As a marketer of home loans, what of customers is important for the company to acquire and retain customers?

Table 2: Consumer Decision Making Process



1) What are the factors impacting the customer?
Internal stimuli and external stimuli impact the customer's choice behavior. A customer who is set to take a home loan is driven by a need to own a property or purchase real estate for investment purpose or tax needs. The customer has a certain perception about the various banks offerings based on previous experience or through experiences of family and friends. Personal, social and cultural factors do impact the decision of investing in a property and availing home loan. These are internal stimuli that impact the customer's choice behavior. External stimuli like communication from the banks across their marketing means will alter the knowledge, inclination, intention and conviction of purchase.
2) What kind of information is useful for the customer to take a decision?
The customer typically goes through the following steps of decision making:
Problem recognition
Information search
Evaluation of options
Purchase decision
Post purchase behavior
Banks and business organisations can help surface the latent need for certain products by communicating about the products and services on offer. Newer investment plans should be made known to customers at a time when plans are ideally made by the target customer segment highlighting the key features of the offering. Most products and services offered by banks are either technical products for which customers rely on bank officers and others experience or a related product/ service for which customers do not look for options outside the current bank with whom they are dealing with. Customers do consume information in business magazines, TV shows like NDTV Profit, CNBC etc. Comparison of key characteristics and subtle advantages and disadvantages must be communicated to customers in a language/ that is understood for making an educated confident choice. After the purchase decision, instead of hounding the customer for feedback and cross selling products and services, one should harvest every opportunity to service the customer and subtly understand how the customer has perceived the offering to accordingly invest in retention of that customer.

3) As a marketer of home loans, what type of information about customers is important for the company to acquire and retain customers?

It is important for a marketer of home loans to understand the target audience and their background and culture. The rationale for this is, customers will be influenced by the background, practices and culture to decide when and how to purchase home loans. Festival times, family engagements, general auspicious periods etc are to be tracked. It is important for a marketer to understand in-depth information of how the customer decides on a particular bank for home loan. Is it always monetary gain or is it credibility, reputation or is it just the offering that suits their unique needs.

Conclusions:

The purpose of reviewing Customer Behaviour is essentially to go back to the roots to study why each customer behaves differently. Marketers, advertisers and manufacturers cater to varying needs of customers. It is their responsibility to ensure fair, non exploitative and transparent means of creating communicating and delivering products and services to customers. Different marketing strategies impact customers differently. Given that, almost anything under the sun is just a click away, customers are aware of the options available through media exposure. The decision of product/ service choice rests with the customer who is impacted by external and internal stimuli. Hence, the role of marketers significantly impacts customer choice.

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A Study For Determining The Effects Of The Perceptions of Consumers About Halal Food, On The Consumers' Intention To Buy in Turkey

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Introduction

The interest in the Muslim markets has been growing with the increase in the population of Muslims. Especially since the beginning of the new millennium some of the companies realized the attractiveness of these markets and that they have to discover new marketing strategies for these markets. In other words, after the recent economic crisis companies discovered the importance of Muslim markets.

One of the reasons that make Islamic Marketing important is the vast number of Muslim consumers which is estimated to be between 1,5-2 billion and to be around a quarter of world population (www.emeraldinsight.com). The majority of the populations are Muslims in 50 of the 57 members of the largest Islamic body namely the Organization of the Islamic Conference. There are lots of Muslims living in the remaining 7 countries. The total income of these 57 countries was over 8 trillion US Dollars even before the sudden boom in oil prices in 2008. In 2009 the imports of these countries was 1 trillion US Dollars and the exports were approximately 1,4 trillion US Dollars. The total volume of international trade of these 57 countries reached around 2,4 trillion US Dollars in 2009. It is worth taking note that Islam is the fastest growing religion in the world (Mellahi and Budhwar, 2010, s.686)[1].

The Global Islamic Marketing Conference which is held annually helps increasing the interest in Islamic Marketing. The conference also helps the development of the literature on this subject both in theory and in practice. There are very limited studies on the subject of Islamic marketing mix. The studies have usually been concentrated on Islamic Finance, Islamic Banking and Islamic Economics. Recently there has been a tendency towards this subject in marketing literature. Among these studies, product which is the main element of marketing mix takes the most attention. From the perspective of Islamic Marketing this subject starts with Halal Products. Product is the basis for marketing mix and thus all the decisions taken for the product affect the other marketing mix components (price, place and promotion).

Turkey, being the 16th largest economy in the world has a population of approximately 80 million, 99% of which is Muslims. In fact Rarick et all. (2012) stated that the highest purchasing power of the Muslim population is found in Saudi Arabia and Turkey (p.104)[2].

Sandıkçı and Ger (2011)[3] summarized the period from the rise of Islam to 2000s as *Omission* the following period as *Discovery.* In the period of *Omission* usually religion has been ignored in marketing and consumer behavior and the relation between Islam and marketing has scarcely been considered. One of the reasons of this is that the Muslim consumers have been regarded as poor and uneducated and thus they have been ignored economically. This population which is unimportant economically have also been ignored academically. Although 82% of the world population stated that religion is important in their daily decisions (Sedikies, 2010, p.3)[4], the relation between marketing and religion has been regarded as an unimportant subject.

Literature Review

Halal food has been the most frequently studied subject in Islamic Marketing. In these studies the main concern has been on subjects like halal food perceptions of the consumers and consumers' preferences of halal food. These all concentrate on investigating the buying behavior of consumers. Besides, lately subjects like halal restaurants[5] and the effects of halal food certification in advertisements (Hassan et al., 2009)[6] are gaining attention of scholars.

The intention of buying is the indication of the willingness of a consumer to buy a product, to recommend it to others and to rebuy it. In this regards the subject has a unique importance in the field of consumer behavior. In the study of

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Alam and Sayuti (2011) regarding the buying behavior of halal food[7], it was concluded that all the factors (trust, moral obligation, habit and self identity) have positive and significant effect on consumers' intention of halal food buying. In their research, Salman and Siddiqui (2011) purport that; (a) religion is the omnipotent source of religious beliefs for Muslims Consumers; (b) Beliefs are closely knitted with religious commitment; (c) People who are highly religious may not necessarily have high level of awareness about halal food; (d) Attitude towards halal food is closely akin to the notion of beliefs; (e) The dogma of identity is more linked with intrinsic rather than extrinsic forces[8].
In the life of consumers especially in the consumption patterns religion has an important effect. Especially the Muslim consumers are very selective in food consumption, dressing, personal care products, hotels and restaurants due to their religion. Religion is defined as "the belief in the existence of a supernatural power and in life after death" (Oxford Advanced Learners' Dictionary). To the extent that the majority of people who practice religious beliefs also believe that their conduct in the current life will impact their life after death, the belief in religion influences believers' conduct. Because one's consumption habits and behavior are a part of one's identity (Mirchandani and Aprilfaye, 2010), it is not surprising that religious beliefs could influence believers' consumption decisions[9]. Abdul et al. (2009) found that, there is a significant relationship between respondents' religion and their perceptions towards halal logo and ingredients[10]. Shaharudin et al. (2011) concluded that religion affects the intention to buy organic products, in their study about discoveries of the religious factor and its influence towards purchase intention of organic food in Malaysia. The result has shown some differences with the previous literature which described that religious factor plays one of the most influential roles in shaping food choice in certain countries of the world[11].
In this study, the relation between the consumers' perception towards halal certified products and their intention to buy halal food and the relation between religion and intention to buy were analyzed. The hypothesis developed for this study are as follows;
H1: The consumers' perception towards halal certified products affect their intention to buy.
H2: Religion affects intention to buy.

Methodology
In this descriptive study the data were gathered through a survey. Non-probability sampling was the method used. The respondents surveyed were from middle and low to middle income group because these two groups combined account for a major part of the population. In their research, Sandikci and Ger (2011)[12] found out that there has been a growing recognition of a Muslim middle class. The data was collected in Kayseri in September 2012 through a structural questionnaire. The consumers surveyed were representative of the population.
The questionnaire consisted of three sections. First section included statements on the perceptions of consumers about halal certified food products, measured by using a five point Likert type scale, ranging from 5 strongly agree to 1 strongly disagree. These statements were developed by the authors according to current situation in Turkey because the halal certification is a new subject in Turkey. Cronbach's alpha coefficient was calculated to measure the scale's reliability. Alpha coefficient was equal to .94, indicating an acceptable reliability for the scale.
Second section included various statements related to self-reported religiousness of the consumers. Again, a five-point Likert type agreement scale, ranging from 5 (strongly agree) to 1 (strongly disagree), was used to measure religiousness. These statements were adapted from Wilkes, et al. (1986)[13] to measure the religiousness of consumers in a predominantly Muslim society rather than in Judeo-Christian societies. Religiousness scale consisted of five statements. Cronbach's alpha coefficient was calculated to measure the scale's reliability. Alpha coefficient was equal to .85, indicating an acceptable reliability for the scale. Third section consisted of the usual demographic questions for classification purposes. These questions included age, gender, marital status, education, income etc.
36% of the respondents are between 18-25, 47% are between 26-35 and 17% are over 36 years old. Because Turkey has a young population these findings are representative of the population. 42% of the respondents are single and the rest are married. 21% of the respondents has a primary school, 40% high school, 6% vocational high school, 30%

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college and 3% higher educational degree. 19% of all respondents are civil cervant, 34% are workers (in public and private), 5% are entrepreneurs, 6% are teachers, 29% are students and the remaining 7% are from several other unclassified jobs. Because more than 50% of the respondents do not want to reveal their incomes it can be said that Turkish consumers are sensitive about their income.

Analysis

The analysis was made relying on the data gathered from 345 acceptable surveys. First of all a factor analysis was conducted to find out the dimensions related to the perceptions about the halal certified products. Then a regression analysis was conducted with these dimensions to reveal the relation between religion and intention to buy.

Findings

A factor analysis is made to determine whether the perceptions towards products with halal certificate have a multiple construct or not. If the perceptions have more than two dimensions it can be said that they have multiple construct.
Before conducting factor analysis a reliability analysis was made to determine the internal reliability. The Cronbach's Alpha is 0.94. The nine statements that decrease the internal reliability were omitted and factor analysis was made for the remaining 21 items. Table below depicts the KMO and Barlett test value and the significance levels according to the results of the factor analysis. The results show that there is a relation between the variables in the total population. The KMO was found to be 92%, this is usually wanted to be over 60%. In the factor analysis another value which is also wanted to be over 60% is the percentage of the variance explained. This was found to be 70%. It can be concluded that the factors having Eigenvalues more than 1 explain 70% of total variance.

Table 1. KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		,924
	Approx. Chi-Square	3775,626
Bartlett's Test of Sphericity	df	210
	Sig.	,000

Table 2 depicts that 5 factors were found as the result of the factor analysis made for the 21 items. Also in the table the names of the factors, the items in each factor, the factor loadings and the reliability coefficients can be found. The total variance explained with these factors is 70.254. These factors are namely intention to buy, preference of halal certificate, halal food products, halal food sale point and halal food advertisement. Thus the multiple construct of the perceptions of the products with halal certificate was depicted.

Table 2. Results of the Factor Analysis

Factors	**Factor Loadings**	**Variance Explained**
Intention To Buy Cronbach's Alpha= .892		18.861
The price and quality of products with halal certificate fit together.	.648	
I do not avoid to spend money to reach products with halal certificate.	.747	
I prefer to buy from shops which sell products with halal certificate.	.590	
I can possibly buy a product with halal certificate in the future.	.607	
I can pay more for products with halal certificate than for products without halal certificate.	.756	
I recommend my family and my friends to buy products with halal certificate.	.644	
I try to convince my friends to buy products with halal certificate.	.679	
Preference of Halal Certificate Cronbach's Alpha= .908		17.984
It is important for me to buy products with halal certificate.	.820	
When buying food I prefer the products with halal certificate.	.834	
I care about the halal certificate when buying a product.	.774	
Halal Food Products Cronbach's Alpha= .839		13.861
I believe that the products with halal certificate are suitable for Islam.	.625	
I believe that the products with halal certificate are clean.	.734	
I believe that the products with halal certificate healthy.	.755	
I believe that the halal certificate shows true information about the product.	.750	
Halal Food Sale Point Cronbach's Alpha= .726		10,316
I believe that the products with halal certificate need to be sold in separate sale points.	.806	
I think that in order to promote the products with halal certificate there has to be several promotions like special discounts, free samples etc.	.576	
I believe that there has to be separate boots for the products with halal certificate.	.757	
Halal Food Advertisement Cronbach's Alpha= .702		9,230

I think that halal food does not find enough attention in the media.	.775	
I think that there is not enough advertisement for the products with halal certificate.	.837	

One of the aims of the study is to determine whether religion has an effect on the intention to buy. For this the Cronbach's Alpha value has been calculated for religion factor. This value and the items related to religion are shown in table 3.

Table.3 Items Related to Religion

Religion Cronbach's Alpha= .852
For me the moral values are more important than tangible values.
I usually worship as my religion requires.
Religion has an important place in my life.
I see myself as religious.
My religious believes comfort me in times of sorrow and distress.

A multiple regression analysis was made to determine whether the intention to buy is affected by preference of halal certificate, halal food products, halal food sale point, halal food advertisement and religion factors. The results of this multiple regression analysis are depicted in tables 4, 5 and 6.

Table 4. Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,746[a]	,556	,549	,52978	1,982

a. Predictors: (Constant), preference of halal certificate, halal food products, halal food sale point, halal food advertisement, religion
b. Dependent Variable: Intention to buy

As can be seen in the model summary table the 56% of the total variance of intention to buy is explained by preference of halal certificate, halal food products, halal food sale point, halal food advertisement and religion factors. In other words it can be said that the 56% intention to buy is formed by these factors.

Table 5. ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	117,658	5	23,532	83,841	,000[b]
	Residual	94,025	335	,281		
	Total	211,683	340			

a. Dependent Variable: Intention to Buy
b. Predictors: (Constant), preference of halal certificate, halal food products, halal food sale point, halal food advertisement, religion

The Anova table shows that the relation between the variables is statistically significant at significance level $p < 0,01$.

Table 6. Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-,021	,205		-,104	,917
	Religion	,280	,056	,238	4,979	,000
	PreofHllCrtfct	,241	,045	,267	5,340	,000
	HllFoodProdct	,273	,046	,275	5,875	,000
	HllFoodSalePo	,085	,039	,099	2,176	,030
	HllFoodAdv	,077	,038	,087	2,046	,042

a. Dependent Variable: Intention to Buy

Table 6 shows that between intention to buy and all the independent variables there are significant relations ($p<0,01$). The t values of Beta coefficients of preference of halal certificate, halal food products, halal food sale point, halal food advertisement and religion factors are significant ($p<0,01$). This shows that the coefficients are also significant. In other words, all the independent variables contribute significantly to explaining the dependent variable. In addition to this, the Beta coefficients show that religion has the most effect on intention to buy. It is followed by halal food products, preference of halal certificate, , halal food sale point, halal food advertisement respectively.
The Correlation Matrix (Table.7) also shows a statistically strong relation between intention to buy and preference of halal certificate, halal food products, halal food sale point, halal food advertisement and religion.

Table 7. Correlation Matrix

Factors	Intention to Buy	Religion	Preference of Halal Certificate	Halal Food Products	Halal Food Sale Point	Halal Food Advertisement
Intention to Buy	1.000					
Religion	.583*	1.000				
Preference of Halal certificate	.629*	.581*	1.000			
Halal Food Products	.603*	.400*	.563*	1.000		
Halal Food Sale Point	.496*	.473*	.427*	.470*	1.000	
Halal Food Advertisement	.422*	.390*	.315*	.374*	.440*	1.000

* Correlation is significant at .01 level

Conclusion

In this study, by building a structure regarding the perception of consumers in Turkey about halal certified products, it was tested whether the identified factors have any effect on the intention to buy. Depending on this research, it was found that consumers' perception of halal food has a multiple construct and this consists of five factors. Including the religion factor and predicting on this multiple construct, the effects on the intention to buy were determined. The factor that is influencing the consumers' intention to buy halal food at most is religion. Religion is followed by halal food products, preference of halal certificate, halal food sale point and halal food advertisement respectively.

This study was conducted in Kayseri which is a city in the Middle Anatolian part of Turkey. The population of Kayseri is over 1 million. The study was limited to Kayseri and it can be reworked to contain all Turkey. Similarly, this study captures the Turkish culture but a cross cultural study can be made on this subject.

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Consumers’ Awareness and Perceptions in Halal Food Certificated Products

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Introduction

The world Muslim population is rapidly growing across the globe, approaching to 1.6 billion. According to the findings of a study in the US in 2009[14], one fourth of the world population is Muslim and their food, clothing and *etc.* consumption behaviors are different than others. Therefore, the Muslim consumers’ are more sensitive in food and clothing issues by following religious rules.

Today, the halal food sector has become an important market for companies. According to Yousef (2010), the current levels of halal food consumption is worth $66.6 billion in Europe, $16.1 billion in North America, $20.8 billion in China, and $23.6 billion in India while the GCC countries alone consumed $43.8 billion worth of halal products in 2009, but Adams (2011) argues that the global halal food market is worth $632 billion[15]. Similarly, if the global halal food industry estimated to be around $640 billion in 2010 (according to Business Monitor International) and a growing Muslim population of 1.8 billion are taken into consideration, it is possible to say that there is immense room for expansion in the current and prospective markets[16].Furthermore, not only the Muslim consumers prefer these products because they are healthy, safe and wholesome, but Non-Muslim consumers also favor (Hornby and Yucel, 2009- from Ireland and Rajabzadeh, 2011).

In many countries, *halal* food certificate and logo (symbol) are required in food and personal care products which are known as fast consumption goods. *Halal* food certificate is new in Turkey, and they are authorized by GİMDES (Association of Food and Necessity Materials Supervision and Certificating) and TSE (Turkish Istitute for Standards). These institutions determine whether the food and non-food products are halal. A lot of trademarks and firms which want to inform that food and non-food products are approved by the religion and are reliable apply for these institutions. The percentages of firms which demand the halal food certificate of conformity from the TSE are as follows: Meat and meat products sector (31 percent), grain and grain products sector (16 percent), vegetable and animal oils sector (14 percent), sugar and sugaring products sector (11 percent), fruits, vegetables and their products sector (10 percent)[17].

Halal in Arabic means permissible or lawful. Abdul and others (2009) defines "*halal* food may apparently be the same as other food, but its nature, technique of its processing involving the ingredients, handling, use of various methods from the beginning to the end, is always the one approved and recommended by Islamic law"[18]. Al-Nahdi and Islam defines halal food as “a universal term that applies to all facets, meat products makeup, personal care products, food ingredients, and food contact material. In the Holy Qur'an, Allah commands Muslims and all of man kind to eat of halal things"[19]. In this study, *halal* food means that everything that we eat must obey the rules of Islam ordered by Allah and recommended by the Prophet in all the stages from production to consumption. Just as said in the Holy Quar’an:

“O ye people! Eat of what is on earth, lawful and good; and do not follow the footsteps of the Evil One, for he is to you an avowed enemy” (Al Baqarah: 168; Ali: 67).

As the Islamic sensitivities increase gardually in Turkey, consumers have become more sensitive to the foods (especially to meat amd meat products) which are not produced and processed according to Islamic rules. Likewise, the first company which publicly advertised its halal food certificate was a poultry producer (Aytaç) company; intensified the standards of the society to meet with halal food logo.

There are limited emprical studies in Turkey regarding the consumers’ halal food certificate perceptions. Therefore, it could be said that it is an original work on this issue. According to a study in this field in 2000[20], 82 percent of the consumers do not know anything about halal food certificate, but it affects the 66 percent of their purchasing pereferences, and 35 percent of the consumers search whether the product to be brought is halal or not. Since the beginning of 2012, advertisements of halal food certificated and symboled products have been brandished on the media, possibly affecting consumers’ perception regarding the halal food certificate. In this study, we try to determine the consumers’ level of perception about the halal food.

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The sensitivity of Muslim consumers regarding halal food has led many researchers to investigate the issue. For instance, Ireland and Rajabzadeh (2011) has researched the UAE consumers' concerns about halal food. In this study[21], 86.5 percent of respondents felt *great concern* that at least one category was not halal. On average, subjects felt *great concern* about 5.5 categories. The categories that distressed them most were processed meat products. Indeed, 44 percent of the sample felt *great concern* about hamburgers. On average, women felt *great concern* about more categories (6.4) than men (4.2), largely because they were more worried by the toiletries. Again, Salman and Siddiqui (2011) reached interesting findings about the Pakistani consumers' awareness and perceptions regarding halal food[22]. According to their results; "(i) religion is the omnipotent source of religious beliefs for Muslim consumers; (ii) beliefs are closely knitted with religious commitment; (iii) people who are highly religious may not necessarily have high level of awareness about halal food; (iv) attitude towards halal food is closely akin to the notion of beliefs; (v) The dogma of identity is more linked with intrinsic rather than extrinsic forces".

Purpose of the Study

In this study, firstly it is aimed to determine the consumers' awareness of halal food and how they evaluate the *halal food* concept, and then to find out the conscious Turkish consumers' perceptions about halal food certificated products. Secondly, it is aimed to determine whether there is a relationship (or difference) between the awareness about halal food certificate and the religious values, and finally to put forth whether the levels of awareness differ according to demographic and socio-economic features.

Method of the Study

This study has been made in Kayseri, located in the Middle Anatolian part of Turkey. The data has been compiled from the consumers through face-to-face survey method. The sample size was comprised of 430 consumers. The 30 statements developed for the purpose of determining the consumers' perceptions about halal food was asked to be answered by the respondents in accordance with the five-point *Likert Scale* as; 5) Strongly I agree, 4) I agree, 3) Neither I agree nor I disagree, 2) I disagree, and 1) Strongly I disagree. The statements developed by the researchers are the ones that are intended for determining the levels of perceptions about the marketing mix of halal food certificated products (such as product, price, promotion and delivery).

Some questions concerning religious values were also asked in the survey. Secondly various statements related to self-reported religiousness of the consumers. Again, a five-point Likert type agreement scale, ranging from 5 (strongly agree) to 1 (strongly disagree), was used to measure religiousness. These statements were adapted from Wilkes, *et al*. (1986)[23] to measure the religiousness of consumers in a predominantly Muslim society rather than in Judeo-Christian societies. Religiousness scale consisted of five statements. Cronbach's alpha coefficient was calculated to measure the scale's reliability. Alpha coefficient was equal to .85, indicating an acceptable reliability for the scale. In addition, some questions regarding the consumers' demographic and socio-economic features were also asked.

47 percent of the respondents were aged between 18 to 25, 38 percent of them were aged between 26 to 35, 12 percent of them were aged between 36 to 45, finally, 3 percent of them were aged above 46. Also, 18 percent of the respondents were graduated from preliminary and middle school, 47 percent were from high school, 2 percent were from vocational high school, 27 percent were from university, and finally, 6 percent had masters degrees. On the other hand, 16 percent of the respondents are civil servants, 29 percent were workers, 5 percent were teachers, 40 percent of were students, 5 percent we had professional occupations, and finally, 5 percent were out of these groups. Finally, 52 percent of the respondents were single, and 48 percent of them are married. Also, 50 percent of the respondents did not state their income.

To reach the first purpose of the study, arithmetic means of the statements concerning the consumers' perceptions about halal food certificated products have been measured. Furthermore, to reach the other (secondary) purpose, t and F tests have been applied for various demographic and socio-economic variables.

Results of the Study

The respondents have been asked about what they understand from *halal food* term.

Table 1: Consumers' Assessments About Halal Food

Type of Concern	**Frequency**	**Percent**
Halal gain	95	20,7
Islamic food	325	70,6
Food without pork	35	7,6
Other	5	1,1
Total	460	100,0

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From the Table 1, 20,7 percent of the respondents defined halal food as halal gain, 70.6 percent defined as Islamic food, and 7.6 percent defined as food without pork. On the other hand, according to the findings of a study done in 2010 in Turkey, the respondents defined the halal food as gained with great effort (31 percent), as favorable by the Religion (27 percent), as without pork (2.8 percent), and no idea (27 percent). It is a fact that as supermarkets publicize these products on the shelves and advertise in various telecommunication means in recent years, consumers' perceptions are rapidly changing.

Another question that we asked to the respondents is whether they heard about halal food certificate. 76 percent of the respondents stated that they heard about this kind of certificate, but the rest 24 percent said otherwise. According to the empirical study of 2010 in this field, 82 percent of the consumers were unaware about halal food certificate. In addition, these two results show that some advertisements and promotions made recently by some companies and civil society organizations has effectively inceased awareness of the consumers about the issue.

T-test has been applied to determine whether consumers heard about halal food certificate with repect to their religious values. At the end of analysis, the average of those consumers who said 'yes' about religious values were higher comparing to those who said 'no'.

Yes Mean	No Mean
4,2427	3,85569
t= 5,246 P= .000	

In the Ki-square analysis which was performed to determine the difference with respect to sexuality in hearing halal food certificate, it was concluded that there were important differences between the groups (Ki-square value = 34,42 $p<.01$ $n=456$).

On the other hand, the frequency of purchasing these products was asked to the respondents who stated that they heard about halal food certificated products. 30 percent of the respondents stated that they buy everytime, 30 percent of them occasionally, 19 percent of them a couple of times, and 21 percent of them never buy these products. Similarly, it ws asked to the respondents from where they buy these products. 86 percent of them stated that they buy these products from supermarkets, and only 2 percent from internet and 7 percent from both.

Table 2. Respondents' Perceptions About Halal Food Certificated Products

Perceptions About Halal Food Products	**Arithmetic Means**	**n**
3.1. It is important for me to buy food with halal certificate.	4,54	350
3.2. I prefer to buy those with halal certificate when buying food.	4,32	349
3.3. I care the halal food certificate when buying products.	4,04	346
3.4. I believe that the products with halal food certificate are suitable for Islam.	4,26	345
3.5. I believe that the products with halal food certificate are clean.	4,00	343
3.6. I do not care whether a product has halal food certificate or not.	2,34	358
3.7. I believe that the products with halal food certificate healthy.	3,66	352
3.8. I believe that the halal food certificate shows true information about the product.	3,87	357
3.9. I believe that the products with halal food certificate are not expensive.	3,42	359
3.10. I want to find products with halal food certificate easily.	4,39	356
3.11. I think that halal food does not find enough attention in the media.	4,21	358
3.12. I have not seen any advertisement showing halal food certified products yet.	3,31	359
3.13. I think that there is not enough advertisement for the products with halal food certificate.	4,07	354
3.14. I believe that the products with halal certificate need to be sold in separate sale points.	3,59	360
3.15. I think that in order to promote the products with halal food certificate there has to be several promotions like special discounts, free samples etc..	3,97	364
3.16. I believe that there has to be separate boots for the products with halal food certificate.	3,92	358
3.17. I do not avoid to spend time to reach products with halal food certificate.	3,81	359
3.18. I think that there are limited choices of halal food certified products in the market.	4,07	353
3.19. Halal food certification is more important than brand name for me when buying a product.	3,85	360
3.20. When buying a product, the first thing I do is to check the halal certificate.	3,64	356
3.21. I believe that the products with halal certificate are good quality.	3,70	364
3.22. The price of the product is more important than halal food certification for me when buying a product.	2,64	362
3.23. I believe that the products with halal food certificate are reliable.	3,95	362
3.24. I believe that the price-quality ratio of products with halal food certificate are acceptable.	3,60	356

3.25. I do not avoid to spend money to reach products with halal food certificate.	3,76	356
3.26. I prefer to buy from shops which sell products with halal food certificate.	4,06	352
3.27. I can buy a product with halal food certificate in the future.	4,22	357
3.28. I can pay more for ptoducts with halal food certificate.	3,75	357
3.29. I recommend my family and my friends to buy products with halal food certificate.	4,08	359
3.30. I try to convince my friends to buy products with halal food certificate.	4,01	359

Note: It was asked from the respondents who do not have any information about halal food certificate not to answer these questions.

T-test has been applied to test whether there was a difference in perceptions in accordance with sexuality. According to the results of analysis, the statements that show the differences with respect to sexuality on Table 3.

Table 3. T-test Analysis Results with Respect to the Respondents' Sexuality

Perceptions About Halal Food Products	**Mean** **Male**	**Female**	**T value**
3.6. I do not care whether a product has halal food certificate or not.	2,38	2,11	1,953c
3.8. I believe that the halal food certificate shows true information about the product.	3,72	3,43	2,370b
3.9. I believe that the products with halal food certificate are not expensive.	3,50	3,13	3,406a
3.13. I think that there is not enough advertisement for the products with halal food certificate.	4,01	4,26	2,015b
3.14. I believe that the products with halal food certificate need to be sold in separate sale points.	3,65	3,35	1,878c
3.17. I do not avoid to spend time to reach products with halal food certificate.	3,88	3,53	2,565b
3.19. Halal food certification is more important than brand name for me when buying a product.	3,95	3,54	2,877a
3.20. When buying a product, the first thing I do is to check the halal food certificate.	3,72	3,33	2,768b
3.21. I believe that the products with halal food certificate are good quality.	3,76	3,48	2,005b
3.22. The price of the product is more important than halal product certification for me when buying a product.	2,73	2,31	3,085a
3.24. I believe that the price-quality ratio of products with halal food certificate are acceptable.	3,66	3,37	2,182b
3.30. I try to convince my friends to buy products with halal food certificate.	4,07	3,79	2,282b

a) p<.01 b) p<.05 c) p<.010

As seen on Table 3, perception levels of the consumers in accordance with their sexuality become different.

Table 4. T-test Analysis Results with Respect to the Respondents' Merital Status

Perceptions About Halal Food Products	**Mean** **Single**	**Married**	**T Value**
3.1. It is important for me to buy food with halal food certificate.	4,34	4,68	-3,784a
3.2. I prefer to buy those with halal food certificate when buying food.	4,06	4,51	-4,400a
3.3. I care the halal food certificate when buying products.	3,72	4,26	-4,749a
3.4. I believe that the products with halal food certificate are suitable for Islam.	4,09	4,37	-2,772a
3.5. I believe that the products with halal food certificate are clean.	3,82	4,12	-2,739a
3.7. I believe that the products with halal food certificate healthy.	3,63	4,03	-3,722a
3.8. I believe that the halal food certificate shows true information about the product.	3,41	3,84	-4,224a
3.9. I believe that the products with halal food certificate are not expensive.	3,17	3,60	-4,329a
3.10. I want to find products with halal food certificate easily.	4,25	4,49	-2,734a
3.11. I think that halal food does not find enough attention in the media.	4,09	4,30	-2,099b
3.14. I believe that the products with halal food certificate need to be sold in separate sale points.	3,28	3,81	-3,914a
3.15. I think that in order to promote the products with halal food certificate there has to be several promotions like special discounts, free samples etc..	3,79	4,09	-2,675a
3.16. I believe that there has to be separate boots for the products with halal food certificate.	3,64	4,13	-4,232a
3.17. I do not avoid to spend time to reach products with halal food certificate.	3,46	4,06	-5,041a

3.18. I think that there are limited choices of halal food certified products in the market.	3,95	4,16	-2,117b
3.19. Halal food certification is more important than brand name for me when buying a product.	3,54	4,08	-4,731a
3.20. When buying a product, the first thing I do is to check the halal food certificate.	3,29	3,90	-5,150a
3.21. I believe that the products with halal food certificate are good quality.	3,48	3,85	-3,116a
3.23. I believe that the products with halal certificate are reliable.	3,69	4,13	-3,911a
3.24. I believe that the price-quality ratio of products with halal food certificate are acceptable.	3,34	3,78	-3,773a
3.25. I do not avoid to spend money to reach products with halal food certificate.	3,56	3,90	-3,045a
3.26. I prefer to buy from shops which sell products with halal certificate.	3,85	4,23	-3,774a
3.27. I can buy a product with halal certificate in the future.	4,05	4,34	-3,220a
3.28. I can pay more for ptoducts with halal certificate.	3,58	3,87	-2,299b
3.29. I recommend my family and my friends to buy products with halal food certificate.	3,78	4,30	-4,859a
3.30. I try to convince my friends to buy products with halal food certificate.	3,70	4,23	-5,011a

a) $p<.01$ b) $p<.05$

As seen in Table 4, perception levels of the respondents differ in accordance with their merital status. Perception levels of all married respondents concerning halal food products are higher than single respondents' perception levels.

Result

It is fairly new that halal food certificated products are available on the market shelves. In this respect, it is quite important to determine the awareness and perceptions of the consumers about these products. In this study, most of the consumers (76 percent) stated that they heard about halal food certificate. It has been seen that there were differences with respect to religious values in awareness about halal food certificate. The average about religious values of the ones who heard is higher than the ones' who did not hear. Morever, it has been stated that there are differences due to age and sexuality. Besides, some important differences have appeared at perception levels concerning halal food certificated products with respect to the consumers' merital status and sexuality.

On the other hand, while the consumers' awareness about halal food certificated products differs due to their religious values, depending on various demographic factors their perception levels are also differ. Depending on such a finding, it can easily be said that demographic factors and religious factors, are fairly effective about the consumers' perception levels regarding these products.

With all these concerns, it must be kept in the mind that this study has been made on the consumers who live in Kayseri. Therefore, when the geographic scope of the study be extended towards cross-cultural dimentions, the results will be more satisfied and reliable.

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How To Win Halal Cosmetics Market in Indonesia

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ABSTRACT
The market for halal products, and in particular the cosmetics market in Indonesia, today, is a potential market to be penetrated by the marketer. This paper aims to understand the factors that influence consumer intentions Indonesian women to buy cosmetics labeled halal. This study used the Theory of Planned Behavior approach. This study used a sample of 205 female respondents who knew about halal cosmetics. By using statistical techniques Structural Equation Model (SEM) of the LISREL 8.5, the results of this study found that attitudes, subjective norms, and perceived behavioral control has a positive influence on consumer intention to buy halal cosmetics, where the most impact is the norm subjective. Furthermore subjective norm also proven to have a positive influence on consumer attitudes.

Keywords: Cosmetics, Halal, SEM, Theory of Planned Behavior

INTRODUCTION
The issue of halal products is no longer only as a religious issue. The issue of halal is a global issue of interest to be discussed in terms of marketing. The producers are now starting to see halal products market as a potential market. In 2009 the market for halal products globally, excluding Islamic banking products, to reach U.S. $ 2.3 trillion dollars. As many as 67% of this amount is from food and beverage category, while 22% is 10% of pharmaceutical products and other personal care products and
cosmetics. Kamaruzaman (2009) said the market for cosmetics and personal care for the Middle East region has reached U.S. $ 560 million with an average growth of 12% per year. One of the most potential market for halal products is Indonesia. Indonesia with income per capita reached U.S. $ 3,542 in 2011 (Central Bureau of Statistics, 2011) and has the largest Muslim population is the world's first potential not only as a market but also as a major producer of halal products.

Tabel 1.1 Negara-Negara dengan Mayoritas Muslim

Negara	Populasi Muslim
Indonesia	204.847.000
Pakistan	178.097.000
India	177.286.000
Bangladesh	148.607.000
Mesir	80.024.000
Nigeria	75.728.000
Iran	74.819.000
Turki	74.660.000
Algeria	34.780.000
Maroko	32.381.000

Sumber : PEW Forum on Religion & Public Life, 2011

Sucipto (2009) said that the halal conscious group in Indonesia is getting bigger and Halal Products Safety Act currently being drafted. Nevertheless, the fact that the product has been certified less than 50% of the number of products on the market (Lubis, 2010).
For the category of cosmetics alone until January 2012 only 15 companies that have been certified halal, and only three brands of cosmetics that are positioning themselves as halal cosmetics is Wardah, Ristra and Zahra. The low number of products that have been certified halal is because most manufacturers feel there is no need for halal certification.

Given the obligation of Muslims to consume only halal products and then giving away the haram halal status by the official institution that is something that should be done by the manufacturer. In addition to the adanyatren "halal" globally

and increasing public awareness of halal products, had to be considered by marketers in developing marketing strategies.
Research on consumer behavior in consuming halal products has not been much to do and only limited to food products. Bonne (2007) has done research on the consumption of halal meat in France by Muslim consumers using modelTheory of Planned Behavior. While Nature (2011) using the Theory of Planned Behavior Model to analyze the purchasing intentions of halal food products to consumers Malaysia. Using Theory of Planned Behavior in researching consumer behavior are widely used in research because the general theory is able to explain what factors most influence a person's decision to do something or what a strong factor motivating intention untul someone perform an action, such as purchase behavior, and so on. This study aims to analyze the labeled halal cosmetics purchase intentions using the Theory of Planned Behavior approach. Halal cosmetics labeled as defined in this study is a cosmetic that has been certified halal from kosher certification agency official. Knowing it is expected that marketers can create more effective marketing strategy, especially for marketers who want to win the cosmetics market Indonesia

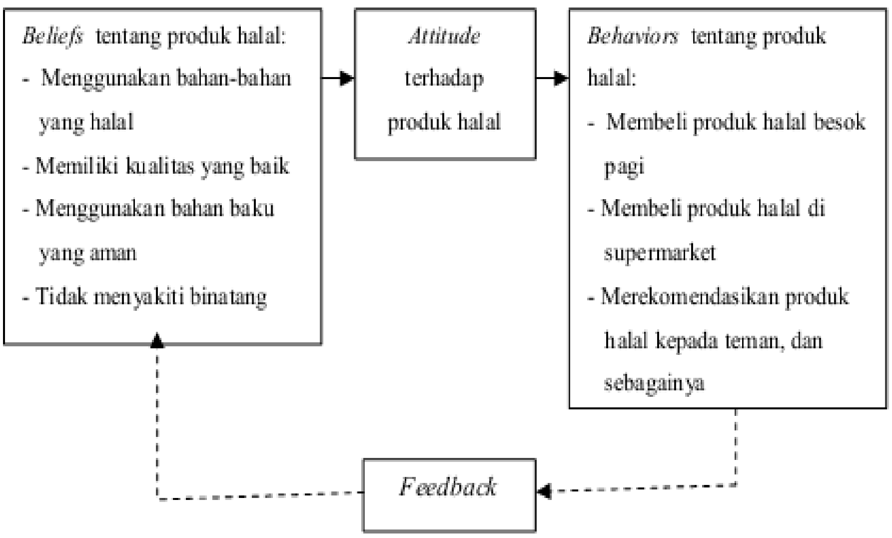
LITERATURE REVIEW

Halal Certification in Indonesia

Competition cosmetics industry is very fast now encouraging manufacturers perform a variety of ways in order to dominate the market ranging from cosmetics to add building blocks, using advanced technology and expanding its market to overseas. Realizing this, to protect consumers from harmful cosmetics, the government formed a non-departmental agency in charge of supervising to cosmetics available in the market.
The agency is the Food and Drug Monitoring Agency (BPOM). BPOM is tasked to audit and oversee cosmetics from before to after market products in the market. The purpose of supervision is to protect consumers from harmful cosmetics because it will have a direct impact on the health of consumers and the impact it can bersifatmassal (BPOM, 2003). One effort BPOM to protect consumers is to issue regulations No. Head of POM. HK.00.05.42.1018 about the building blocks of cosmetics ban on the cosmetic use of hazardous substances such as antibiotics, hormones, essential oils that cause allergies, petroleum distillation, merekuri, and others. Until the year 2012 there were approximately 1243 BPOM prohibited materials. The use of label halal cosmetic products be made to ensure that cosmetic products used do not use ingredients that are forbidden so that consumers, especially consumers Muslims feel secure in using cosmetics. According to MUI LPPOM there are some materials is a critical point in the halal cosmetics, among others: Fat and derivatives, collagen, placenta and amniotic Extract, Vitamin derived from animals, Alpha Hydroxy Acid (AHA) and hormones. To obtain halal certification, manufacturers must go through a number of procedures by LPPOM MUI halal certification.

Relationship Between Beliefs, Attitude and Behavior Toward An Attraction

Many marketers and researchers are trying to link attitudes to consumer behavior. The previous researchers believed that attitudes toward an object (Ao) are strongly associated with the behavior of the object. The researchers assume that the more positive a person's attitude toward the object, the more likely people will buy or use the product. For example, a researcher wants to measure consumer attitudes toward cosmetic purchases in the months ahead, if this approach is considered to be reasonable it is likely that the results obtained by the researchers is that consumers have a positive attitude towards cosmetic not necessarily actually buy cosmetics next month.



Gambar 2.4 : Hubungan antara *Beliefs, Attitude* dan *Behavior* terhadap Objek Tertentu

Sumber : Peter dan Olson (2005), dengan modifikasi

Incompatibility of behavior that mean attitudes attitudes to does not are irrelevant to behavior. Evaluation Ao is the overall evaluation of an object, not a specific evaluation of the behavior of the object. Only affects consumer attitudes emotions while there are many other things that can affect behavior. For more details the relationship between beliefs, attitude, and behavior of a particular object can be seen in the above figure:

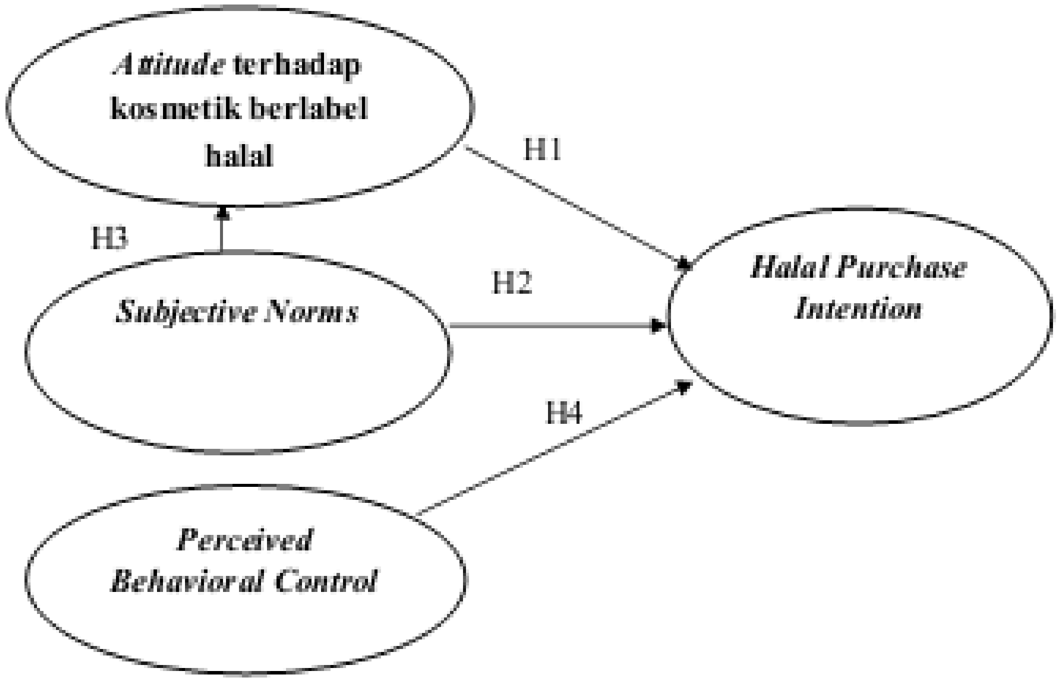
METHODS

Research Design

This research will use models that are replicated from Nature and Sayuti (2011). In his research, Nature and Sayuti (2011) using a model of Theory of Planned Behavior to analyze halal food product purchase intentions by Malaysian consumers. The study has a hypothesis "halal food product purchase intention is positively influenced by attitudes, subjective norms, and perceived control consumer behavior." Another study by Tarkiainen and Sundqvist (2005) and Pepper (2009) showed that subjective norm does not only affect the intentions directly, but also influence consumer attitudes.

In his research Pepper (2009) Theory of reasoned Actionyang using a basic form of Planned Behavior dariTheory so in this study the researchers added hypothesis (H3) is the norm opinion mempengeruhi attitude towards cosmetics labeled halal.

Based on earlier research paper this time then the model can be shown in an analysis of the following path :



Gambar 3.1 : Model Penelitian
Sumber : Hasil olahan peneliti dari penelitian sebelumnya oleh Syed S. Alam & Nazura M. Sayuti (2011) dan Suddin Lada (2009)

Population & Sampling of Respondent

Data obtained from field research (survey) of the number of respondents using a questionnaire. The questionnaire uses a 5-point Likert scale that has a range of (1) to Strongly Disagree to (5) Strongly Agree. The number of respondents in the study amounted to 205 female respondents. The respondents of this study were female consumers who know about cosmetics labeled halal and aged at least 15 years old. Selection of female respondents aged at least 15 years because in general the main target of halal cosmetics is women aged 20-40 years, but the development is also a life style making use of cosmetics under 18 years of age. Some research on cosmetics in Malaysia also uses minimal respondents aged 15-16 years as Mansor (2010).

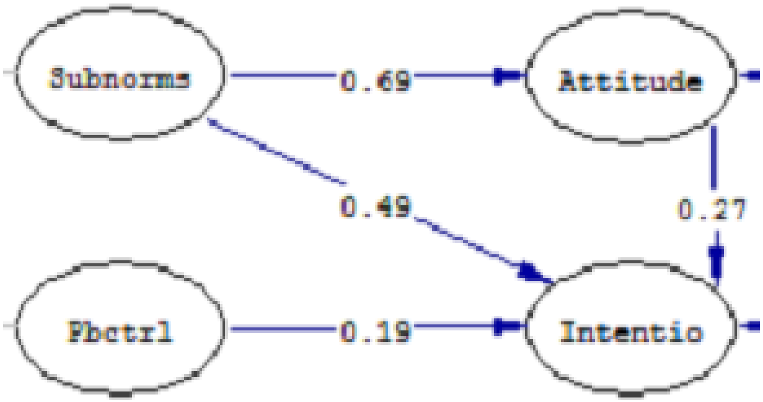
Data Collection

Data collection for this research was conducted during the first month, that is during the month of June 2012. Questionnaires were administered to respondents will be filled by the respondent (self-adminestered questionnaire). Once the questionnaire is filled, check the completeness of the contents of the questionnaire penyurvei that would be obtained questionnaire data that can be used and valid.

Limitation
This study examines the intention to buy halal cosmetics consumer model approach women with Theory of Planned Behavior that the study is limited only to the intentions of the purchase, not up to the buying behavior, and antecedents of intentions are only three factors, namely attitude, wiki norms, and perceived behavioral control .

ANALYSIS AND DISCUSSIONS
This study has 31 variables observed from the four existing constructs. Wijanto (2008) says that in order for the data obtained has the maximum likelihood or can describe the population, minimum sample required is five times the number of variables is observed that in this study requires at least 155 (31x 5) respondents. The processing of the data in this study using the technique of Structural Equation Model analysis of application software LISRELL 8.8.

Analysis of Relationship Causal
Estimated value of the relationship between the independent variables and the dependent variable in this study can be seen in Figure 4.5



Gambar 4.5 Nilai Estimasi Hubungan Antara Variabel-Variabel Laten
Sumber : Hasil olahan peneliti dengan LISREL 8.8

From the above equation reduced form equations Intention indicates that the variable can be explained by the variable wiki norms, attitude, and perceived behavioral control by 59% while 41% is explained by other variables. From the structural equation is also known the most impact on the intention to buy halal cosmetics comes from the urge of people around the consumer (subjective norms). Variable subjective norms to give effect to the intention of multiplication by 0.49, which means that the increase of 1 unit on the subjective norms will increase by 0.49 times intention.

t-Value

Tabel 4.25 Nilai-t Pada Model Strutural

No.	*Path*	Nilai-t	Kesimpulan
1	Attitude ⟶ Intention	3.23	Signifikan
2	Subjective norms ⟶ Intention	5.27	Signifikan
3	Subjective norms ⟶ Attitudes	9.54	Signifikan
4	Perceived behavioral control ⟶ Intention	2.96	Signifikan

Sumber: Hasil olahan peneliti dengan LISREL 8.8

From the table above, Rated-T for the four trajectories is> 1.96 indicating a significant relationship between the four variables or in other words the variable attitude, wiki norms, and perceived behavioral control significantly affect intention.

Based on the output as shown in Table 4:25, attitudes towards labeled halal cosmetics have a positive influence on the intention to buy cosmetics labeled halal. The more positive consumer attitude towards cosmetics labeled halal, the larger intent / intention of consumers to buy cosmetics labeled halal. For subjective norms towards halal cosmetics have a positive influence on the intention to buy halal cosmetics. The more positive the subjective norm or the greater encouragement of those around consumers to buy cosmetics labeled halal, the larger the consumer intention to buy cosmetics labeled halal.

To outline the relationship subjective norms to attitude-t values obtained for 9.54. These results demonstrate significant value as> 1.96 so it can be concluded that the hypothesis can be accepted in other words, subjective norm has a positive influence on the attitude of the respondents. Norma opinion not only has a direct effect to the intention but also positively influence attitudes. The more positive responses of people around respondents' halal cosmetics, the attitudes of respondents toward labeled halal cosmetics will be more positive. This positive attitude will allow the positive behavior of consumers of halal cosmetics labeled as behavior to purchase, recommend products to friends, and so on.

In addition to attitude and subjective norm of other factors that affect intense for halal cosmetics is consumer perceptions of the ability of self perception to buy cosmetics labeled halal. Nature (2011) say that the more a person feels he can afford to buy cosmetics labeled halal, the greater the person's intention to buy halal cosmetics.

CONCLUSIONS

At the beginning of the study explained that the market for Halal products globally is a potential market because it offers a large number of consumers are consumers Muslims and non-Muslim consumers. Especially for Muslim consumers, estimated global Muslim population of more than two billion people, where there are rules Muslims can only consume halal products, the total market size is large.

In 2010 the estimated global market for halal products reached U.S. $ 580 billion dollars. For cosmetic products themselves with the global Muslim fashion trends drive demand halal cosmetics. Size of the potential market for halal products is an opportunity for producers to become a player in the market, especially given the mass cosmetics market in Indonesia. But the thing to note if you want to enter the market for halal products is not to get stuck on the market is too niche.

From the research conclusions, managerial implications of this study are as follows:

1) Norma opinion has a huge influence on the intention to buy halal cosmetics. The manufacturers therefore need to create a positive opinion in the community. For marketing strategies, manufacturers can use a media campaign through the group, slogans and marketing messages that highlight family and friends, using the role model of people around consumers such as parents and friends, and use expert consultancy services.

2) The variable perception of behavioral control showed a significant effect on the intention to buy cosmetics. Perceptions of control behavior shows how consumers perceive themselves able to buy halal cosmetics so researchers advise that halal cosmetics manufacturers in designing the marketing mix that encourages consumers perceive products as halal cosmetic products that are affordable, easy to obtain and deliver satisfactory results.

Limitation

This study has several limitations, namely:

1) The object of this research is halal label attributes which indicators to measure the halal label is very limited while the general model of Theory of Planned Behavior is used on an object (not attributes), such as cosmetics kosher and halal food, so the model of Theory of Planned Behavior can be used to evaluate the attitude of the attribute.

2) In this study, researchers are not getting the best indicator of the research variables where the indicator questions used were taken from several journals that examine the halal food products that may be right for tidap used to evaluate cosmetic products for halal food and halal cosmetics may have characteristics different that first needs to be done to acquire exploration stud attributes labeled halal cosmetics appropriate.

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Social Capital And Work Outcomes: The Moderating Effect Of Islamic Work Ethics

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Abstract
Despite decades of ongoing research on work ethics and work outcomes, little has been known about these two constructs in relation to employees' social capital. The study of work ethics has gained its prevalence in recent years; however, most studies on this area have been based on the experience of the western countries which relied on the Protestant Work Ethics. The generalizability of these findings to the eastern countries particularly those that adhere to Islamic teaching may be inconsistent. Thus, there is a necessity to study these constructs that reflect their societies, cultures, religions, and behaviours. In this study, the concept of Islamic Work Ethics which emphasises on a set of moral principle based on the Holy Quran and Hadith is proposed. The objective of this study is to provide a conceptual framework that theoretically integrates across the disciplines of social capital, work outcomes, and Islamic Work Ethics. The paper discusses the concept of social capital and helps clarify the implications of this concept for a number of important work outcomes. It argues that Islamic work ethics is an important determinant of the relationship between social capital and work outcomes. This conceptual paper found that social capital has a direct relationship with work outcomes and predicted that Islamic Work Ethics moderates the relationship between these two constructs. Based on these debates, this paper proposes a conceptual framework on the relationship between social capital and workplace outcomes with the moderating effect of Islamic work ethics. Linking the concepts of social capital, Islamic work ethics and workplace outcomes, this paper provides a foundation for theorization and practice in managing and leading human capital in the organizations.

Keywords: Social capital, work outcomes, Islamic work ethics, job satisfaction, organizational commitment and turnover intention

Introduction
The last two decades has seen a significant increase in business ethics research particularly in the issue of work ethics (Furnham and Kortsas, 1990), especially in the light of major corporate failure and moral hazard due to moral misconducts among employees which contribute to the financial disaster of the company like the case of Enron and Arthur Anderson. The importance of work ethics also has gained considerable attentions amongst organizational and management scholars due to its potential consequences on employees (Vitell and Davis, 1990) particularly its effect on their attitude and behavior at work place, and their work outcomes (Rokhman, 2010, Rokhman *et al.*, 2011). Work ethics encourage employees to be highly involved in their work (Randall and Cote, 1991) which in turn contributes to the positive outcomes such as increase job satisfaction (Koh and Boo, 2001; Yousef 2001), job performance (Rokhman *et al*., 2011; Yousef, 2001) and organizational commitment (Peterson, 2003; Rahman *et al*., 2006); as well as reduce magnitude of absenteeism (Sheehy, 1990), intention to quit (Saks *et al*., 1996), and turnover rate (Rokhman *et al*., 2011, Saks *et al*. 1996; Shimko 1992). However, most studies on work ethics have been based on the western countries which mainly focus on the Protestant work ethics (Kumar and Che Rose, 2010; Yunus, 2011). The Protestant work ethics arose in the 16the Century and advocated by Max Weber was based on the beliefs that hard work, dedication, frugality, and perseverance were pleasing to God and was necessary for salvation (Steiner and Steiner, 2000).
Due to the new wave of globalization and the nature of global business today, there is a fundamental shift of how business practices are being conducted. For instance, many Muslim countries have become the recipients of multinational corporations (MNCs) resulting in an influx of expatriates all over the world (Kumar and Che Rose, 2010), thus many Muslim workers from home countries have been assigned to work or attend trainings in host countries. Due to the European open market policy, Muslim workers have also flooded worldwide in the European countries as well as the western countries. Recently with the emergence interest on 'halal' products, organizations have to consider the sensitivity of the stakeholders (i.e. shareholders, owners, employees, suppliers, buyers/customers, debtors, competitors and the natural environment) as they may affect the work outcome of any organizations (Beekun and Badawi, 2005).
Thus, in managing the diversity of these workforces, companies should be more observant to the differences in their values, beliefs, cultures, and religions (Ali, 1995; Uddin, 2003) specifically their work ethics. Although the principles of ethics in Islam have been in existence for more than fourteen centuries ago, yet there is lack of research being conducted on Islamic work ethics and its influence of workplace outcomes (Ali, 2005; Rizk, 2008; Yousef, 2000). Therefore, this issue deserves a serious inquiry (Nasr, 1984) particularly regarding ethics and values that control their works and businesses (Muhammad Saeed *et al.,* 2001), affecting the economics as well as moral, psychological, and social dimensions (Ali and Al-Owaihan, 2008). Apart from the work ethics, individuals bring different values to workplace shaped by factors such as peer influences, life experience, and situational factors (Rizk, 2008), and these factors are closely related to social dimensions.
Undoubtedly, social capital has also been recognized as one of the important factors in enhancing workplace outcomes (Vigoda-Gadot *et al*., 2011). The role of social capital has been repeated demonstrated in previous research especially with regards to individual performance sucah as know-how and promotion (Hansen, 1999; Leana and van Buren, 1999).

Social capital is significant to the work attitudes and workplace outcomes for instance it enhances organizational commitment (Watson and Papamarcos, 2003), intensifies job satisfaction (Flap and Volker, 2001), and reduces turnover intention (Dess and Shaw, 2001). However, Vigoda-Gadot *et al*. (2011) suggest that the relationship between social capital and work outcomes may be interpreted as a mixture of direct and indirect relationships. We argue that if organizations can find ways to encourage the development of social capital and harness it appropriately by incorporating ethics values, the organization may gain substantial benefits on the work outcomes. Thus, this study will incorporate the moderating effect of Islamic ethics into these two relationships.

Although the variable of social capital and Islamic work ethics may share similar contents, they are argued to be distinct which account for different portions of variance in work outcomes. Social capital elements comprise network ties, trust, cooperation, collaboration, communication, and shared frame of reference that are accrued from the actors' relationship (Nahapiet and Ghoshal, 1998), while the Islamic work ethics emphasizes on harmony, cooperation, forgiveness, kindness that must be inculcated in the brotherhood relationship with one vital objective that is obedient to God (Rizk, 2008), and just for the sake of Allah SWT (Khalil and Abu-Saad, 2009). The main difference between social actor and Islamic work ethics is the emphasis on the relationships; both highlight on the relationship amongst mankind (*Habluminannas*), however, the Islamic work ethics puts a higher weight on the relationship with the Creator (*Habluminallah*). Thus, we foresee that social capital will diminish or die if it is not maintained, while Islamic work ethics will sustain as long as we believe in the teaching of Islam and have strong faith in Allah SWT. Based on the above justifications, we argue that it is substantial to integrate both social capital and Islamic work ethics in examining work outcomes. In addition, no support has been found on the effect of Islamic work ethics between social capital and work outcomes. Thus, this study aims to provide a framework of the relationship between the dimensions of social capital and workplace outcomes.

Islamic Work Ethics

Organization that adopting an ethical framework, tends to be more organize, effective, and efficient in their work (Abeng, 1997). Hence, stimulate the success of the organization and its employees (Yunus *et al*., 2011). In the same vein, employees who have faith in the work ethics such as tendency to work very hard (Tang and Baumeister, 1984) are more likely to have good working behaviors (Furnham, 1991). Rokhman (2010) supported this idea and asserted that employees who belief in Islam and follow Islamic ethics tend to feel more satisfied and committed to the organization. They will view work as a means to advance self-interest in every aspect of life (Ali, 2005). Commitment to organization, working hard, creativity in work and cooperation amongst employees represent the similarities of Islamic work ethics and Protestant work ethics (Yousef, 2001). This indicates that whatever principle ethics hold, it still seeks to develop reasonable standards of moral conduct that are universal (Cooke, 1990) which guide their followers regarding the do's and don'ts (Yunus *et al*., 2011).

However, the difference of Protestant work ethics and Islamic work ethics is that the latter has a foundation firmly rooted in the principle of equity and justice originated from Holy Quran, Hadith (the saying and practice by Rasulullah p.b.u.h), Sunnah (the deeds of Rasulullah p.b.u.h) and the legacy of the four Caliphs (the immediate successors of the Prophet p.b.u.h). This concept is unique regarding aspect of human activity for the reasons such as everything that an individual undertakes is part of worship (Ibadah) of God (Muhammad *et al*., 2008), which shapes and guides the entire Islamic way of life (Mohammad Saeed *et al.,* 2001); for which he/she is responsible and will be accountable to God (Muhammad *et al.,* 2008). More importantly, in Islamic teaching, both temporal and the spiritual dimensions cannot be separated since the existence of human being is to serve God and obey His commands which permeate through all aspects of the individual's daily activities (Nadwi, 1978). Nevertheless, Islamic work ethics does not disregard life, instead it implies work is a virtue in the light of man's needs, and thus there is a need to establish a balance in one's individual and social life and hold business motives in the highest regard (Ali, 2005; Kumar and Che Rose, 2010; Nasr, 1984; Rizk, 2008).

Specifically, within the Islamic perspective, the term ethics is more closely related to good deeds such as '*adl*' (justice), '*birr*' (righteousness), '*qist*' (equity), '*haqq*' (truth and right), '*kahyr*' (goodness) '*ma'ruf* '(known, approve) and '*taqwa*' (piety) and these are required to be performed by all Muslims (Beekun, 1997). All of these deeds are portrayed in the cooperation, consultation, social relation, dedication to work and values work as a means of fostering personal growth, self-respect, satisfaction and self-fulfillment (Yousef, 2000). Islam indeed values work according to intentions rather that from the result of work (Ali, 1998) as stated by the Prophet Muhammad (p.b.u.h) "*action are recorded according to intention and man will be rewarded or punished accordingly*" (Yousef, 2001).

The elements of Islamic work ethics

A review of literatures reveals that there are multiple elements of Islamic work ethics for instance effort, competition, transparency, and morally responsible conduct, teamwork, honestly and accountability, wealth must be earned, quality of work, reliance on self, , bribery, deed and intention, greed and generosity (Ali, 2005; Ali and Al-Owaihan, 2008; Kamaluddin and Manan, 2010). However, for the purpose of this paper, we will combine some of those elements into three major themes namely 1) **effort** comprises '*itqan*', '*istiqamah*' and '*tawakkal*', whereby these items affect the quality of work; 2) **teamwork** consists trust, transparency, accountability, cooperation, mutual consultation; in which these items influence the development of social capital among employees and the importance of working together for task accomplishment; and 3) **morally responsible conduct** encompasses of honesty, reliance on self, deeds and intentions, generosity which will induce a positive behavior in oneself affecting his/her relationship with others. These themes are discussed due to their relevance to social capital and work outcomes.

Effort is held in the highest regards in Islam. In the holy Quran, Allah SWT highly praises those who strives (effort) to earn a living (An Nahl, 16:97) "*Whoever does good whether male or female and he is a believer, We will most certainly make him live a happy life, and We will most certainly give them their reward for the best of what they did*." This is strengthened by the saying of Prophet Muhammad (p.b.u.h) that "*truly Allah likes to see his servants striving to earn an honest income*". Obviously, this effort needs to be linked with '*itqan*', '*istiqamah*' and '*tawakkal*' (Kamaluddin and Manan, 2010). '*Itqan*' which means knowledgeable and conscientiousness in all endeavors (Al Habshi and Ghazali, 1994). With the knowledge, a person is expected to produce quality work (Ali and Al-Owaihan, 2008). This is emphasized by Prophet Muhammad (p.b.u.h) that "*God loves a person who learns precisely how to perform his work and does it right*." (Ali and Al-Owaihan, 2008). '*Istiqamah*' means consistency and passion for excellence (Al Habshi *et al*., 1998). While '*tawakkal*' means surrendering oneself to Allah SWT solely (Al Habshi *et al*., 1998). Once a Muslim has put all efforts and consistence toward his work, then the concept of '*tawakkal*' is applied. The combination of these three elements of effort not only instills the spirit of perseverance of a person but also promoting knowledge sharing which in turn can result in producing a quality of work. Prophet Muhammad (p.b.u.h) exclaims that "*God blesses a person who perfects his craft (does the right job*) (Ali and Al-Owaihan, 2008). This indicates that a Muslim employee is encouraged to carry out all tasks with care and competent (Kumar and Che Rose, 2010). Thus, according to Islamic teaching, putting less effort in work is unacceptable and it may cause failure in life (Ali, 1998).

Teamwork is highly encouraged in Islam. It carries the value of cooperation inciting trust through mutual consultation that can be achieved from the practice of transparency as well as accountability. The teaching of Islam puts credence on the teamwork to prevent from misconduct of practices such as in performing responsibilities, making decisions, and distributing resources to accomplish specific tasks. For the tasks to be successful, it requires the team members to exercise mutual consultation or '*mushawarah*' and cooperation (Kumar and Che Rose, 2009) in achieving consensus. The concept of '*mushawarah*' relates to discussing together with the aim to reach collective decision and solution at the best (Karman, 2004); in overcoming obstacle and avoiding mistakes (Kumar and Che Rose, 2010), and this practice is pertinent in Islamic work ethics. Allah SWT has especially mentioned '*mushawarah*' in the Holy Book of Quran, "*And those who respond to their Lord and keep up prayer, and their rule is to take counsel among themselves, and spend out of what We have given them*" (Asy Syura, 42:38). To achieve teamwork, trust must be built amongst the members, and the concept of '*Amanah*' (trust) in Islamic ethics relates to human beings as God's trustees on earth and as such must bear responsibility for his/her actions (Beekun and Badawi, 2005). Trust plays an important role in business practices, and for the benefit of work outcomes as well as relationships with all, organizations should put 'trust' into practice at all times. Allah SWT has warned that "*Do not devour one another's property by false and illegal means*" (Al Baqarah, 2: 188) as trusteeship is part of man's morally conducts, and people tend to be reciprocal upon good deeds. As stated in Quran, "*Allah doth command you to render back your trusts to those to whom they are due; and when ye judge between people that ye judge with justice* (An Nisa, 4:58). These commands emphasize the importance of building and maintaining social relations among humankind.

Morally responsible conduct needs to be implemented in enhancing work outcomes. In the Islamic work ethics, elements of honesty, reliance on self, deeds, intentions, and generosity are some of the highly acceptable manners, in which if being practiced, organizations may induce positive behavior amongst their employees. Honesty is one of the greatest of all moral virtues, and in business practices, it means the person in charge does not conceal anything that should be disclosed (Kamaluddin and Manan, 2010) to neither the superiors/organizations nor to the clients/customers. Honesty is deemed valued in Islam as it shows sincerity to Allah SWT, and the Prophet (p.b.u.h) said, "*Honesty leads to righteousness and righteousness leads to Paradise*…", and in business dealings, "*Honesty and clarity are blessed for both parties to a sale, while concealment and deceit destroy the blessings of their sale*." Honesty in fact engenders morally conducts at three levels: 1) personal level where it provides integrity, self worth, and inner fortitude, 2) social level in which it lends depth and substance to our relationships with other people, and 3) spiritual level that brings about the sincerity to Allah SWT, the key to our salvation (http://islamicquotes.org). This indicates that honesty can lead to other elements of morally responsible conduct mentioned earlier such as reliance on self, deeds, intentions, and generosity.

Social Capital

Several theories have been proposed to outline the benefits of social capital such as social network theory and resource-based theory. Social network theory highlights on the structure and configuration of social networks and argue that sources of the structure lie in the social structure that ties together various actor (Adler and Kwon, 2003). While resource-based theory emphasizes on the nature and characteristics of network linkages and argue that the dimensions of social capital should be broadened not only to the network actor but also to the relational capital and cognitive capital that are embedded in the network ties (Nahapiet and Ghoshal, 1998).

For the discussion on social capital, the framework offered by Nahapiet and Ghoshal (1998) is used for the purpose of identifying its dimensions. These dimensions of social capital appear more appropriate for this study since they encompass not only the network between the actors (structural) but also the embedded nature of the networking in their thinking (cognitive) as well as in their deeds (relational), which accrue from the previous two capitals. Thus, these three dimensions have been selected because of their comprehensiveness. In addition, the literature seems to suggest that these dimensions of Nahapiet and Ghoshal (1998) have been adopted by many researchers (e.g. Bresnen *et al.*, 2003; Chiu *et al*., 2006; Inkpen and Tsang, 2005; Wasco and Faraj, 2005).

Bourdieu (1986) suggests that structural capital forms an institutionalized relationship, which can result in actors being able to mobilize social capital. This relationship is very important as it can enhance both firm and individual performance in two ways: first, by facilitating access to information and resources, and second, by helping to co-ordinate task interdependencies (Gargiulo and Benassi, 2000).

Wasko and Faraj (2005) defined cognitive capital as “resources that make possible shared interpretations and meanings within a collective” (p.41). Inkpen and Tsang (2005) further elaborated the term as the shared goals or objectives of actors in a network. Cognitive capital embodies the collective goals and aspirations of the members of an organization (Tsai and Ghoshal, 1998), which accrues from visions, goals, norms, narratives, or language (Nahapiet and Ghoshal, 1998). It also provides individuals with the same frame of reference, which in turn helps them to interact with one another by avoiding possible misunderstandings in their communications (Tsai and Ghoshal, 1998; Wasko and Faraj, 2005). Most importantly, the common goals or interests they share will assist the actors to have meaningful communication and will help them to see the potential value of their resources in exchange and combination (Nahapiet and Ghoshal, 1998; Tsai and Ghoshal, 1998).

Relational capital refers to the kind of personel ties a person has (Leana and van Buren, 1999, Moran, 2005). These embedded assets, which entail norms, values, trust, and obligations, generate potential opportunities for the members (Yli-Renko *et al.,* 2001). The most important element of relational capital has been identified as trust (Beugelsdijk, 2006; Zak and Knack, 2001). Scholars have widely acknowledged that trust can lead to co-operative behavior among individuals, groups and organizations (e.g., Gambetta, 1988; Cummings and Bromiley, 1996).

Work Outcomes, Islamic Work Ethics and Social Capital

The discussion on the Islamic work ethics and social capital has revealed the importance of these two aspects in enhancing workplace outcomes. Islamic work ethics requires the spiritual destiny to be in equilibrium with commencement on society and social collaboration (Rice, 1999), and the fundamental of Islamic work ethics: effort, teamwork and morally responsible conducts are also closely linked to the dimension of social capital. According to Weeks *et al*. (2004) good ethical conducts (i.e. effort, teamwork and morally responsible) may influence work place outcomes such as job satisfaction, organizational commitment and turnover intention. Consistent with this, social capital dimensions (structural, relational, and cognitive) are also seen to affect workplace outcomes (Flap and Volker, 2001; Vigoda-Gadot *et al.,* 2011; Watson and Papamarcos, 2002). This section therefore, will discuss the work outcomes: job satisfaction, organizational commitment, and turnover intention with regards to Islamic work ethics and social capital dimensions.

Job satisfaction

Job satisfaction is defined as a collection of emotions that an individual feels towards his or her job (Robbins, 2005). Shakil (2011) asserted that workers who possess and act with a high level of work ethics are more likely to be satisfied with their jobs. This is consistent with previous studies on work ethics that have found a strong relationship between work ethics and job satisfaction (e.g. Jones, 1984; Morrow and McElory, 1987; Saks *et al*., 1996; Viswesvaran and Deshpande, 1996; Vitell and Davis, 1990). Similar findings are also evidenced in the relationship between Islamic work ethics and job satisfaction (eg. Yousef, 2000; Rokhman, 2010; Rokhman *et al*., 2011). For instance, Yousef (2000) who studied on 30 organizations in UAE found a moderate relationship between Islamic work ethics and job satisfaction. In line with Yousef, Rokhman (2010) also reported a significant relationship between Islamic work ethics and job satisfaction among employees in 10 Islamic Microfinance Institutions in Central Java, Indonesia.

Flap and Volker (2001) suggest that structural capital can affect job satisfaction. In their study on the effect of different types of networks on job satisfaction, they reported that the network ties as well as the strength of network improve job satisfaction. Scott-Ladd *et al.* (2006) in their longitudinal study found that participation in decision making appears to promote job satisfaction. Thus, it is argued that participation through cooperation which is the element of relational capital may have a relationship with job satisfaction. Meanwhile, in terms of cognitive dimension, Javed *et al.* (2004) who examined the effect of communication on job satisfaction in software industry found that communication is significant in enhancing job satisfaction. Further, they found that clarity of information provided by project manager is positively contributed to job satisfaction. This suggests that cognitive dimension such as ability to understand the communication and to convey message may lead to job satisfaction indicating that shared understanding of communication may influence the job satisfaction.

Organizational commitment

Organizational commitment is defined as a psychological state that has three separated components: desire, need, and obligation to maintain employment in an organization (Meyer and Allen, 1991). Previous studies have demonstrated the positive effect of work ethics on organizational commitment (eg. Koh and Boo, 2001; Viswesvaran and Deshpande, 1996; Vitell and Davis, 1990). One of the earlier empirical studies on Islamic work ethics, conducted by Ali *et al.* (1989) found that managers in UAE are more committed to their work and as the level of their responsibility increases, the level of commitment also increases. The following studies on Islamic work ethics on workplace outcomes also concluded that individuals with a high level of Islamic work ethics tend to develop a strong commitment towards their organizations (e.g Rahman *et al*., 2006; Rokhman, 2010; Yousef, 2001).

Pearson and Chong (1997) in their study on 286 nursing staff of a large Malaysian hospital reported that employees' perception on the work environments such as interpersonal task attribute of dealing with others was significant contributors of organizational commitment. We argue that this attributes could be associated with the elements of social capital. Morrison (2002) claimed that individuals, who have stronger networks, should convey support, identity, and acceptance which in turn may promotes attachment to the organization. In terms of the relationship of structural dimension and workplace outcome, Morrison (2002) further argued that there is a positive relationship between network strength and organizational commitment. Meanwhile, trust and norms which are the elements of relational dimension were also found to be positively related to organizational commitment (Watson and Papamarcos, 2002). As for the cognitive dimension, shared understanding of the communication is one of the important elements in building and strengthening the relationship, and it was found to be positively related to organizational commitment (Watson and Papamarcos; 2002).

Turnover intention

Turnover intention can be defined as the thinking to leave the organization, the intention to search for another job, and the intention to leave (Miller *et al*., 1979; Mobley *et al*., 1979). Prior researches on Islamic work ethics and turnover intention (eg. Yousef ,2001; Koh and Boo, 2001; Viswesvaran and Deshpande, 1996; Vitell and Davis, 1990) demonstrated the negative effect of work ethics on organizational commitment. For instance, Pettijohn *et al.,* (2008) in their study of sales person perception on ethical behavior, discovered that a positive perception of business ethics in general will reduce the intention of leaving the present position. This may indicate that there is a relationship between Islamic work ethics and turnover intention.

With regards to structural dimension of social capital, when a person is connected to many, there is a tendency to feel more embedded (Mitchell *et al.,* 2001). Thus, it is more likely that the size of network may affect the turnover intention. In the meantime, relational dimension element, such as when a person has similar identification with colleagues, this may increase the possibility of sustaining his/her employment relationship (Dess and Shaw, 2001), which may reduce the turnover intention. Another important element of relational dimension that is trust which facilitates a sense of obligation to an organization (Nahapiet and Ghoshal, 1998), which may have negative implication on the turnover intention. In terms of cognitive dimension, having common frame of reference (Nahapiet and Ghoshal, 1998) may make individual feel comfortable and bounded to the organization, hence make it more difficult for them to leave the organization.

Conclusions

Based on the discussion on the three variables which are social capital, Islamic work ethics and work outcomes, a conceptual framework of the relationship between social capital and work outcomes moderated by Islamic work ethics is proposed. The framework is shown in Figure 1. The framework indicates the direct relationship between social capital and work outcomes which have yet to be explored empirically in the existing body of knowledge. This relationship is moderated by Islamic work ethics which in so far, omitted in the current discourse of organization theory and organization behavior theories. The significant contribution of this paper is in conceptualizing the relationship between Islamic work ethics and social capital variables. This novel conceptualization contributes to the theorization within the field of social capital. The framework also affirms the existing knowledge within the field in regards to the relationship between the Islamic work ethics and work outcomes.

Figure 1: Conceptual Framework of Social Capital and Work Outcomes moderated by Islamic Work Ethics.

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Managerial Competency: Comparing Conventional And Islamic Perspective

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ABSTRACT
The objective of this article is to share the authors' understanding of the concept of managerial or executive competency from the Islamic perspective. The paper also discusses managerial competency models developed by western authors and attempts to match these models with Islamic models. The striking differences between the two models are actually in each model's philosophy and stance. The Islamic model believes in divine principles and uses these principles as a guide in pursuing worldly objectives. On the contrary, conventional models are based on culture and value of thought.

Key words: Managerial competency, conventional perspective, Islamic perspective

INTRODUCTION
In order to continue functioning and stay relevant in a dynamic and competitive world, organizations, especially business organizations, need to constantly strive to innovate and make changes. Without innovation and change, organizations are vulnerable to 'decline' and failure, may be even bankruptcy. Many small and medium enterprises (SMEs) have failed. One of the main reasons for their failure is the complacent attitude of firm owners in instituting effective innovation and change in their management.
Many researches have shown direct and indirect relationships between innovation and change with firms' performance. For example, Kollinger (2008) found that various innovations, including product and process innovations, have direct relationships with employment turnover and growth. According to Edmonsor, Bohmer and Pisano (2001), innovation in organization management refers to the process of creating and implementing new ideas. On the other hand, Helliegel, Jackson and Slocum (2008) describe change as the transformation in the design and function of organizations. In order to efectively manage innovation and change, organizations need to hire managers who are competent in various aspects of management.
Competency is an important concept in organization management since it is closely related with excellent work performance (Singh, 2010). Individual competency, according to Hoge, Tondora and Marrellu (2005), is one of the factors which determine the effectiveness of organization performance. The concept of competency could also be viewed from the multi-dimension perspective since it involves knowledge, attitude, skill and other personal characteristics which affect individual's careers; it correlates with work performance and could be improved with training and development (Parry, 1998). According to Spencer and Spencer (1993), competency at the work place comprises of six components:

a. Competency in making achievement and taking quality action, taking initiative and searching for information.
b. Competency in aiding and providing human service, including interpersonal understanding.
c. Competency in exerting influence and making an impact, which includes building relationship in organizations.
d. Management competency which includes team work and cooperation, ability to develop others and team work leadership.
e. Cognitive competency which reflects managers' ability to think analytically and conceptually.
f. Personnel effectiveness competency such as self-control, self-confidence, flexibility and organizational commitment.

In particular, this article hopes to share the authors' understanding of the concept of managerial competency that is required to manage organizations by analyzing two different approaches or perspectives, i.e., the conventional and Islamic perspective. Islamic literature regarding this concept is still lacking. Hence, it is hoped that articles such as this would further improve understanding and confidence of the Islamic managerial competency, and hence nurture interest to use it in managing organizations, especially Islamic organizations.

DEFINITION AND IMPORTANCE OF MANAGERIAL COMPETENCY
Western authors have proposed several approaches to help us understand the concept of competency. McCall (1998) defined competency as a combination of knowledge, skill and attitude which contribute towards an individual's personal effectiveness. Ogrean, Herciu and Belascu (2009) defined this concept as knowledge, skill, ability and measurable behaviour. Compared to the definition proposed by McCall, Ogrean et al. (2009) proposed two additional measures, ability and behaviour.

In short, managerial competency can be defined as a concept which includes attributes that a manager should have; these attributes are critical or contribute in a significant way to individual or personal success in managing the success of a firm. The elements in this concept include all attributes proposed by the above researchers, i.e. knowledge, skill, behaviour, ability and attitude, as well as other elements that are considered critical in ensuring the success of a work or task. However, the interesting thing about the definition discussed above is the involvement of attitude and values, which are elements that make this concept more complex and interesting. This is evident when Ogrean et al. (2009, 116) admitted that formulating this concept was not an easy task since it is a manifestation of a person's intention, which in turn is affected by motivation, personality, attitude, and value or self-concept of an individual.
The importance of competency in an organization is even more evident in terms of its necessity in various functions of organization management. In the Human Resource Management and Human Resource Development functions, for example, managerial competency plays a crucial role in recruitment, selection, performance evaluation and training and development. For instance, managers must be competent in making decisions regarding and giving priority to courses and other learning opportunities that are needed by employes. In the career planning and employment functions, managerial competency is crucial in planning and predicting the requirements for recruitment. Knowing the competencies required by employees for the future to facilitate the achievement of its organization's goals influence its plan in terms of its structure, recruitment policy and strategy, and staff development planning.

CONVENTIONAL MANAGERIAL COMPETENCY MODELS

Several models or approaches have been proposed by western researchers in the field of organization management. One of them is the model proposed by White (2005). Although White's model gave more focus to business organizations, it is also applicable to other organizations. According to White, there are six competency elements that managers must have to effectively manage an organization.

a. Ability to observe

This is an important aspect which managers may not be able to carry out due perhaps to time constraint and tight work schedule, or may be because it was not seen as crucial. Observation that is usually done concurrent with visits to a work place is very crucial and must be given priority. In fact, according to White, observation should be scheduled in a manager's activity calendar. Observing procedures, work flow and process, and how workers do their work and interact is the basics for implementing improvements. Managers' ability to do this helps to enhance their credibility. In order to be seen as credible, managers "*need to be seen and be known to be up to date with what is happening in the work place."*

b. Ability to monitor employee performance

Employees' performance and progress must be constantly monitored using reasonable or acceptable approaches, especially by the employees' themselves. Related policies and procedures must be clearly stated. Meetings must be held periodically and continuously, not only when problems or difficulties arise. Evaluations should not be too formal or seen as a routine task or paperwork to be completed and filed. Meeting sessions, either individual or group meetings, must be held not only to monitor performance but also for the purpose of developing employee's career, and should be seen as a form of support from the management. During these meetings, managers should take the opportunity to give encouragement and clear explanation regarding work criteria and objective to individual employee and also groups of employee.

c. Ability to evaluate the implementation of professional development program

A good leader or manager has the ability to evaluate weaknesses and propose or organize training and development programs to address the weaknesses identified in individuals and teams.

d. Ability related to work capability and expertise

A good manager has background knowledge and experience which would contribute to the achievement of good result. If the manager himself did not have the expertise and knowledge regarding the affairs of his work, his credibility would be compromised. It is crucial for managers to have this ability so that he is able to precisely understand the progress of all activities and processes while at the same time manage the work place.

e. Ability to make good decision

Effective leadership and management are demonstrated by the ability to make good decisions which contribute toward the achievement of organization or task's objective. A good manager should have the ability to assess or analyse the environment and evaluate the relevant factors or reasonable alternative solution before making his decision. A mature and good decision, along with the willingness and flexibility to adapt to the needs of the environment when required, will result in confidence in the management and leadership.

f. Ability to do research and evaluate the result

The management's ability to do review and continuous research is very important in the management process. In the field of business in particular, this ability is very crucial to create competitive advantage. A competent manager has the ability not only to manage current excellence but, more importantly, must be able to introspect the future of the organization he is managing or leading. In this regard, the ability to conduct research and evaluate the result of the

research has profound influence on the future plans of organizations. In other words, an excellent management is always proactive rather than reactive. This is the managerial competency model proposed by White (2005) which was deemed as necessary to develop a sound foundation for effective and successful management.
Docking (2006) also proposed a competency model that managers should have. Docking proposed four categories of elements that managers must have. The first category is knowledge regarding organization, administration process and procedures, clients and field of expertise. The second category is thinking skill, which includes the skill to solve problems, analyze, and write reports, numerate and plan. The third category is competency relating to attitudes such as credibility, fortitude, good interpersonal behavior, patience, flexibility and scrupulousness. Fourth is competency relating to motor skill such as eye-hand coordination, dexterity, and balancing.
In comparison to these two models, Hellriegal, Hackson and Slocum (2008) recently proposed a more current model. The conceptual framework proposed by Hellriegal et al. (2008) is more popular and interesting. They proposed six competency elements that are required by managers. These competencies are related to *communication*, *planning and administration*, *strategic action*, *self-management*, *global awareness*, and *team work*.

Communication competency refers to an individual's ability to transfer information and be involved in information exchange which would lead to mutual understanding between him and others. This is done either formally or informally.

Planning and administrative competencies involve making decision regarding tasks that need to be completed, deciding how these tasks should be executed, allocating resources that are related to the tasks to be executed, and finally, monitoring progress to ensure that the tasks are properly executed. This competency involves abilities to gather information, make analysis and solve problems, as well as plan and organize. Time management, along with budget and financial management, are also needed expertise, under this category of competency.

Team work competency refers to the implementation of task by small groups of employees who are collectively responsible for the task's completion. These small group tasks require coordination among group members. Competent and effective managers are known for their ability to put together teams, nurture supportive group environment, and manage team dynamism.

Strategic action refers to a manager's understanding of the overall mission and organizational values, and ensuring that employees' actions are consistent with the stated mission and values. This competency includes the ability to understand the external situation of the organization (the industry that it serves and the greater environment of the organization) and the internal situation of the organization, and the corresponding abilities to take strategic actions.

Global awareness competency refers to the ability to understand, appreciate, value and respond to issues regarding politics, culture and economies across the globe. A manager's competency in this area could be seen through his extensive knowledge and understanding of the various culture and his openness and sensitivity in the context of cultural difference. This openness and sensitivity are closely related to the manager's awareness and acceptance of the fact that culture influence how individuals think and behave.

Self-management competency refers to the managers' ability to develop them and take responsibility both at work and in other aspects of their lives. This competency includes managers' ability to show integrity and ethical behaviour, personal determination and fortitude, ability to balance between the demands of work and life, as well as managers having self-awareness and striving towards self-development.

COMMENTARY

Several conclusions can be made from the characteristics of managerial competencies proposed in the three models. First, competency characteristics can be divided into two main categories, i.e. competency related to personal quality (such as extensive knowledge, ability to think, ability to analyze, ability to communicate, self-management, having global perspective and team work spirit), and secondly, competency related to management skill (such as planning, making decision, solving problems, monitoring and evaluating). Hellriegal's approach is seen as more comprehensive compared to the models proposed by White (2005) and Docking (2006). The requirements for competency characteristics are different; it is situational or contingent upon the form or complexity of an organization, including its process and structure. The characteristics proposed by Hellriegal (2008) seem more up to date and suitable with the environment of big companies or corporate organizations.
However, all competency characteristics proposed for these models could undoubtedly contribute towards effective management and are significant in aiding the achievement of organization's objective from the traditional and rational perspective. For business firms or organizations, the objective is usually to maximize owner's wealth or profit.
Whether or not the proposed characteristics contribute towards effectiveness and support the achievement of organizational goals could be situational, i.e. it depends on the demands of reality or organization's environment and management, as well as the ability of the manager in charge. In other words, the application of the proposed models depends to a large extent on the manager's ability to modify and adapt to the situation that he faces.

THE ISLAMIC PERSPECTIVE OF MANAGERIAL COMPETENCY

In general, Islam gives emphasize to the need and importance of competency in all areas of life, including managing an organization. The Quran and hadith, which are the most authentic and main source of reference in Islam, provide plenty of evidence to this effect. Among them is the verse of the Quran which narrates the story of Prophet Musa A.S. when he arrived in Madyan and was employed by Prophet Syuaib's family (Surah Al-Qasas 28:26)

قَالَتْ إِحْدَاهُمَا يأَبَتِ اسْتَـْجِرْهُ إِنَّ خَيْرَ مَنِ اسْتَـْجَرْتَ الْقَوِىُّ الأَمِينُ

And said one of them (the two women): "O my father! Hire him! Verily, the best of men for you to hire is the strong, the trustworthy."

This verse clearly states two forms of competency which are important criteria in the context of hiring workers: they must be strong and trustworthy.

Sources from the hadith also emphasize the importance of merit and competency as the main criteria when appointing a person to a post.

Abu Yaala Shaddad bin Aws states that Prophet Muhammad (SAW) said:

"Verily Allah has prescribed proficiency in all things. Thus, if you kill, kill well; and if you slaughter, slaughter well. Let each one of you sharpen his blade and let him spare suffering to the animal he slaughters." (Narrated by Muslim, No. 17)

In another hadith, Prophet Muhammad SAW was narrated to give emphasize to itqan when executing tasks.

"*Verily, Allah loves those of you who, when doing something, do so with itqan.*"

The point stated in this hadith is in accordance with a verse in the Quran which says:

وَتَرَى الْجِبَالَ تَحْسَبُهَا جَامِدَةً وَهِىَ تَمُرُّ مَرَّ السَّحَابِ صُنْعَ اللَّهِ الَّذِى أَتْقَنَ كُلَّ شَىْءٍ إِنَّهُ خَبِيرٌ بِمَا تَفْعَلُونَ

And you will see the mountains and think them solid, but they shall pass away as the passing away of the clouds. The work of Allah, Who perfected all things, verily, He is well-acquainted with what you do (Surah An-Naml 27: 88)

Ihsan and *itqan* as stated above could be seen as two forms of competency that all employees, especially managers, must have. Islam teaches its followers to strive to achieve the highest performance standard when doing something. In fact, Prophet Muhammad SAW stressed the importance of competency in executing tasks in his hadith:

"Whoever appoints someone as a public servant and overlook those who are more competent has commited treason against Allah, His Prophet and the believers."

The Prophet himself interviewed his companion, Mu'az bin Jabal and verified his competency in the presence of other companions when he appointed Mu'az as the *kadi* of Yemen, as in the following narrative:

Thus Mu'az ibn Jabal departed for Yemen. He had to discharge the dual duty of governorship and jurist. Therefore he had the position of an intellectual and a ruler. The Holy Prophet (SAW) told him that he must teach the army men the fundamentals of religion and the Quran. He also had to collect the Zakat funds and send them for spending on the Muslims. At the time when the Messenger of Allah (SAW) was sending this twenty-nine year old young man to Yemen he asked, "O Mu'az ibn Jabal! If a claimant comes to you for legal recourse what judgment would you give?" "I would deliver the judgment in the light of the Holy Quran," replied Mu'az. Again the Holy Prophet (SAW) asked him, "What would you do if you don't find the judgment in Quran?" Mu'az replied, "I would act on the way the Messenger of Allah (SAW) has done, and deliver the judgment according to that." Once more the Holy Prophet (SAW) asked, "What if the solution is not found even in my practice?" Mu'az said, "In such a situation I would myself do Ijtihad (Derive the law)." The Messenger of Allah (s.a.w.s.) stroked the chest of Mu'az and said, "I thank Allah that the replies of Mu'az have pleased me."

We can further understand the importance of competency from the titles that Rasulullah SAW gave to his companions. Titles such as Abu Bakar 'as-Siddiq', Umar 'al-Faruq', and Khalid 'Saifullah al-Maslul' (sword of Allah) reflect the competency of the companions of the Prophet. Hence, it is clear that Islam views competency as a very crucial element in the development of human capital.

ISLAMIC COMPETENCY MODEL

At present not many Islamic managerial competency models have been proposed by Muslim scholars. Most of these models were cited from models proposed for leadership. The most relevant model thus far was proposed by al-Attas and Wan Mohd Nor (2007). He has specifically proposed several Islamic managerial competency characteristics. According to al-Attas and Wan Mohd Nor, an executive should be:

1. Result orientated

1.1 Ensure that all efforts to achieve result are based on the Islamic *Shariah* and are done to please Allah SWT.

1.2 Take personal responsibility for the results achieved.

1.3 Show determination, seriousness, and earnestness in achieving results.
1.4 Make others take responsibility for the achievement of results.
1.5 Show tenacity and high endurance in dealing with problems faced in the effort to achieve results.
1.6 Nurture culture of excellence by setting high standard, benchmark or example in all aspects of work that are related to organization, including system, structure and human resource.
1.7 Constantly hold discussion, confer, and make consultation and reference in the effort to achieve results.

2. Process orientated
2.1Able to identify blessings or relationships in events that don't seems to make sense or have any implications.
2.2 Able to manipulate and transform alternative and ambiguous situations into sound ideas and plans.
2.3 Able to modify plans which connect process, events and structure.
2.4 Able to focus on the details in a process without sacrificing principles.

3. Take action pragmatically and wisely.
3.1 Always hold on to the *Shariah* priciple which states that something is allowable as long as there is no clear evidence that it is *haram* (prohibited).
3.2 Take wise and pragmatic action in dealing with complex situations.
3.3 Able to balance between idealism and skepticism in making decision.

4. Possess entrepreneurship qualities.
4.1 Look for good opportunities which have not been tried and tested.
4.2 Create new and novel methods.
4.3 Manage uncertainties well and take risks while at the same time managing them wisely.
4.4 Take the lead in making change.
4.5 Give encouragement to stakeholders as part of the effort to implement change while simultaneously giving priority to societal well-being.

al-Attas and Wan Mohd Nor (2007) provide a very interesting supporting literature from the Quran and hadith as well as early Muslim history for each of the above competency characteristics. Along with al-Attas and Wan Mohd Nor, Khan (1998) has formulates ten principles of success of Prophet Muhammad SAW that could be used as a guide in management. These principles are some of the competencies that managers or executives should strive to have.

1. Begin tasks with something simple
This principle is related to one's ability to give priority to a simple and reasonable option when executing a task with the aim of achieving something bigger or more difficult. This is based on the narration by Saidatina Aisyah (RA), she said: *"Whenever the Prophet had to choose between two options, he always opted for the easier choice" (Narrated by Bukhari).*

2. Always see goodness or opportunity in a weakness or deficiency
This is based on Surah Al-Insyiraah 94:5-6. The lesson to be learned from these verses is that for all the hardship that one goes through there is an apportunity to be seized. In other words, a competent manager will focus his attention on and be positive about the opportunities that come with a problem.
فَإِنَّ مَعَ الْعُسْرِ يُسْرًا
Verily, along with every hardship is relief
إِنَّ مَعَ الْعُسْرِ يُسْرًا
Verily, along with every hardship is relief

3. Change the environment to take action
This principle is taken from the Prophet's migration which teaches us that a leader must always look for opportunities to achieve something better outside the existing environment.

4. Turn foes into friends
This principle emphasizes on the ability to be patient and always dealing with foes with good moral. This principle is based on Surah Al-Fussilat 41:34:
وَلاَ تَسْتَوِى الْحَسَنَةُ وَلاَ السَّيِّئَةُ ادْفَعْ بِالَّتِى هِىَ أَحْسَنُ فَإِذَا الَّذِى بَيْنَكَ وَبَيْنَهُ عَدَاوَةٌ كَأَنَّهُ وَلِىٌّ حَمِيمٌ
The good deed and the evil deed cannot be equal. Repel (the evil) with one which is better, then verily he, between whom and you there was enmity, (will become) as though he was a close friend.

5. Turn 'minus' into 'plus'
This principle was formulated based on the action that Rasulullah SAW took on the 70 prisoners from the Battle of Badar. The prisoners were given the task of teaching Muslim children to read and write as a condition for release.

6. Choose truce over enmity

This pinciples shows the character of the Prophet; he prefers to be ‘gentle’ rather than ‘harsh’ when dealing with enemies. With this tactic the Prophet was able to pacify his enemies and change their hearts.

7. Does not think dichotomously
This principle was formulated based on the Prophet’s attitude in dealing with some of the Muslims who mocked Khalid Bin Walid as a coward when he ordered the Muslim army to retreat instead of battling the enemy during the Battle of Mu’tah. The Prophet showed far-sightedness in this matter and saw the decision to retreat as a temporary strategy to regroup. This view is in contrast with the dichotomous view of some of the Muslims at that time which only saw two options, win or lose the war.

8. Avoid battle in the field to gain an opportunity or advantage
This principle was formulated based on the Prophet’s decision to sign a treaty with the enemy during the Battle of Hudaibiyah. By signing this treaty the Prophet turned a physical battle with the enemy into a battle of ideology. The Muslims’ ideological advantage had given them victory in the long term.

9. Choose gradualism over radicalism
This principle is based on the practice of the Prophet which preferred evolution over revolution in managing his mission. During the first 13 year in Mekah, the Prophet focused on strengthening the understanding and the faith of the Muslims as well as building their awareness. When Islamic laws were revealed during the period in Madinah, the Muslims readily embraced these laws because had been inculcated with strong basic teachings during the early period of Islam.

10. Take action pragmatically in regard to controversial matter
This principle was formulated based on the decision made by the Prophet during the Treaty of Hudaibiyah. The Prophet accepted the enemy’s condition to delete the phrase which referred to him as the Messenger of Allah.

In addition to these principles, Beekun (2006) proposed an effective leadership model comprising of five basic practices for manager’s self development. Although the model is related to the implementation of strategy, it could also be seen as representing managerial competency model. The five effective leadership characteristics proposed by Beekun (2006) are the ability to challenge process, ability to inspire mutual vision, ability to provide opportunity for others to take action, ability to make himself a role model, and ability to be tenacious and gritty.

The ability to challenge process refers to the manager’s ability to challenge status quo. In this context, managers need to be innovative and, sometimes, he needs to review the process and take aggressive action. The ability to inspire vision includes the manager’s ability to communicate vision to all levels of organization and ensure that the vision is mutually understood and appreciated. Clarity of vision will facilitate understanding and acceptance of organization’s mission and strategy.
The ability to provide opportunity for others to take action refers to manager’s ability to put aside his own interest and place public and organization welfare above his self interest. In this context, managers are transformational servant-leader. The manager’s ability to be a role model requires that he clearly understand his belief and walk the talk.

The ability to be tenacious and gritty mans the ability to *istiqamah*, never give up and be patient in dealing with all challenges. These are among the characters of the prophets, as stated in this Quranic verse:
يبَنِىَّ اذْهَبُواْ فَتَحَسَّسُواْ مِن يُوسُفَ وَأَخِيهِ وَلاَ تَايْـَسُواْ مِن رَّوْحِ اللَّهِ إِنَّهُ لاَ يَايْـَسُ مِن رَّوْحِ اللَّهِ إِلاَّ الْقَوْمُ الْكَـفِرُونَ
"O my sons! Go you and inquire about Yusuf and his brother, and never give up hope of Allah's mercy. Certainly no one despairs of Allah's mercy, except the people who disbelieve” (Surah Yusuf 12: 87).

In another verse, Allah SWT says:
وَلاَ تَهِنُوا وَلاَ تَحْزَنُوا وَأَنتُمُ الأٌّعْلَوْنَ إِن كُنتُم مُّؤْمِنِينَ
“So do not become weak, nor be sad, and you will be triumphant if you are indeed believers”(Surah Ali Imran 3: 139).

COMPETENCY: BETWEEN CONVENTIONAL INFERIORITY AND ISLAMIC SUPERIORITY
In one hadith, Prophet Muhammad SAW said, “You understand your worldly affairs better.” When related to the need for managers to have the competencies required for them to do their work or task, this hadith proposes that Islam provides ample opportunity in ‘technical’ terms for individuals to develop themselves and advance in their career. This includes continuously making innovative improvement and executing tasks creatively. In this context, it seems that there is not much difference between conventional managerial competency and Islamic competency. Therefore, competency is dynamic. The methods and approaches to manage competency may change from time to time and from place to place, or between contexts. Hence, a good management of competency will focus on improving performance and achieving the objective of a company or task.
The differences between the two approaches lie more in their philosophy and principles. As stated previously, the conventional approach in developing managerial competency is in the effort to achieve organizational objectives which are more ‘worldly’ or materialistic compared to the Islamic approach in which the final objective transcends the ‘worldly’ life. The mission and vision of an Islamic executive, for example, focus on both the world and the hereafter. Hence competency in Islamic management is developed to achieve two goals, i.e. the short term worldly goal and the long

term *ukhrawi* goal. Both these goals must be aligned. In fact, the worldly goal is seen as a means to achieve the *ukhrawi* goal. In conventional context, the worldly goal is usually the final goal or objective.
The issue of goal is the issue of principle, and there is no compromise regarding this matter in the Islamic approach; it is closely related to divine values. These values are the foundation for the formulation of Islamic managerial competency and they influence the measures of performance and success. In the context of conventional competency, thought, norm and culture are the foundation for the formulation of competency (Ali 2009). These values form the basis and influence thought as well as innovative and creative efforts. However, these values are not as established and as sound as the divine values. Therefore, in the effort to achieve a target “the ends usually justify the means”, which contradict the religious requirement which states that “the goal must abide by the *Shariah*” and “the means to achieve goals must also be in line with the *Shariah.*”

CONCLUSION

The objective of this article is to share the authors’ understanding, awareness and conviction regarding the concept and application of managerial or executive competency from the Islamic perspective. Several competency models developed by Western authors were also discussed. The proposed models are sound and able to contribute to the achievement of organization’s short term objective. The striking difference between these models and the Islamic models lies in their respective source of reference, philosophies and principles. The Islamic model holds firmly to the divine principles and uses them as a foundation to achieve worldly goals without separating life in this world from life in the hereafter. On the other hand, conventional models were formulated based on value of thought and culture, and therefore is limited is scope.

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Islamic Advertising Ethics

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Abstract
The purpose of this article is to give a fresh look into the issue of unethical advertising. The current researches on advertising ethics are focused the issue of unethical advertising, deceptions, advertisements targeting children, the exploitation of sex and gender, and also the issues of subliminal advertising. Minimal emphasis is given to the root of the problem. At the end of this article, the author proposes a fresh look on the issue of advertising ethics through the theological interpretation. Since most of the negative aspects come in the form of social impacts, a thorough study is being proposed to understand advertising roles especially in terms of its social functions.

Key Words: Advertising ethics, ethics, unethical advertising, theological ethics, Islamic ethics, Islamic advertising ethics

Introduction
The first advertisements that fit the modern day definition of advertising appear in newspapers in the seventeen century in America (Wilson, 2005). In the earlier days, newspapers were the main tools to disseminate information to the public. While in Britain, from 1800 to 1848, the advertising revenues collected increases almost twofold and this is largely due to the increase of population during that period of time(Wilmshurst & Mackay, 2004, p. 4). The emergence of advertising agencies is due to the increase in the demand of advertisements.
Advertising has been used widely to inform potential users about the products and it plays major roles in developing industrial sectors of a country (Md Yusoff & Hj Siarap, 1999). It circulates information across media such as newspapers, television, magazines, periodicals, billboards, flyers, pamphlets, posters and other sources of media. In the case of Malaysia, the advertising expenditure has increased steadily after the Asian economic crisis in the late 1990s (NMR Adex Report 1997-2006, 2007). According to the latest figure by AC Nielson (2007), the gross advertising expenditure in Malaysia has grown by nine percent in the first half of 2007 with newspapers and terrestrial television securing the largest expenditure.
Advertising can assume many roles and functions. According to Mohd Sidin and Noorbathi (2002, pp. 25-26), basic functions of advertising range from introducing product to customers and differentiating one product from another, sending information on the product, features, and place, encouraging customers to try new products and suggest repeat customers, encourage product distribution, increasing the numbers of product users and lastly, building brand loyalty.Wells, Moriarty, and Burnett (2006, p. 10) on the other hand, suggested functions of advertising such as building awareness of products and brands, create brand image, provides product and brand information, persuade people, provide incentive to take action, provide brand reminders, and lastly reinforce past purchases and brand experiences. All of these different functions can be categorized under five major functions; marketing, communication, education, economy and social functions (Bovee & Arens, 1986).
However, Hanjun Ko (2001b) argues that advertising works under two approaches; practical and academic approaches. He further emphasizes that advertising has four main functions; marketing, economic, social and communication functions (Ko, 2001). Even though advertising serves many functions, however it also has its own limitations. One obvious limitation is that advertising cannot sell merchandise that people do not want to buy (Edwards Jr. & Brown, 1959). In fact this particular limitation has sparked debates on the ethical issues regarding over influencing potential customers. Another limitation of advertising is that due to the nature that it addresses many people at once, it cannot adjust to suit individual taste and interest in the way that a salesman can (Wilmshurst, 1994).

Current Researches on Advertising Ethics
Apart from that, the ethics in advertising researches also focus on advertising controversial products such as cigarettes, undergarment, condoms, and feminine hygiene products. Those companies with products that can be considered to be offensive to some segments of the public must be aware of the things that might offend their customers and be socially responsible enough to refrain from openly being offensive(Waller D. S., 2004). Due to the fact that females have direct and indirect influence over purchase decision, it is advisable to consider their perceptions towards advertisements even they are not the intended audience because women adopt certain coping strategies that entail complaining to others thus negative word-of-mouth can lead to the detriment of a brand(Christy, 2006). In another study focusing on business major university students, Waller (1999) found out that the five products/services/ideas that are perceived as offensive by the customers are the advertisements of racially extremist groups, religious denominations, female hygiene products, cigarettes, and political parties.
A cross-cultural study done to access the nature of advertising of controversial products in New Zealand, UK, Malaysia and Turkey has confirmed that racism and racist images are of concern to all those sampled (Waller, Fam, & Erdogan, 2005). While most of the studies done on offensive advertising are focused on print media and television, the introduction of new technologies have opened a new media that are also prone to offensive advertising and such media can be best represented by the Web. A survey of 240 respondents in Hong Kong has found out that the respondents indicated that gambling and online chatting services have been chosen as the most offensive products to be advertised on the Web

(Prendergast & Hwa, 2003). It was also found out that the level of advertising offensiveness can affect the outcome of the customers' purchase intentions (Prendergast, Ho, & Phau, 2002).

One of the approaches taken by advertisers to influence new smokers particularly teenagers, are through the positive lifestyle imagery (Pollay & Lavack, 1993). Another study in Indonesia reveals that advertising practitioners use their imaginary and creativity to bend the rules and regulation that has been stipulated by the government on the cigarette industry (Tanudjaja, 2002). A comprehensive set of tobacco advertising bans can reduce tobacco consumption and that a limited set of advertising bans will have little or no effect (Saffer & Chaloupka, 2000). Hastings and Aitken (1995) argue that tobacco advertising does influence children's smoking behavior. Alcohol advertisements have also become a major issue in the recent decade. Research findings indicate that the quality of the product, humor, sex appeal, romance and partying have been extensively used in alcohol advertising (Hill, Thomsen, Page, & Parrott, 2005).

Apart from that, the autonomy of making purchasing decision is very important to the consumers. Some scholars argue that the unethical practice of advertising also deny the autonomy and privacy of consumers(Sneddon, 2001). Some forms of irrational persuasion may have an adverse effect on consumer autonomy and therefore should be considered as immoral(Emamalizadeh, 1985). There are also scholars who believe that it is up to the customers' judgment in purchasing decision but this argument is refuted by Crisp (1987) who believes that persuasive advertising manipulates the customers without their knowledge and for no good reason. The heavy use of technical jargon in advertising has undermined consumers' authority in making decision due to lack of formal education and experience of the products themselves (Gaudio, 2007).

The issue of celebrity endorsement has raised a few criticisms from the legislators, public and the scholars. A study in Japan shows that the participant marked stronger intentions to purchase the celebrity endorsed products after being exposed to self-oriented negative celebrity information(Money, Shimp, & Sakano, 2006). Celebrities can come in the forms of actors, singers, politicians, athletes, religious figures, academicians, industry professionals, and also scientists. In fact, celebrity endorsements particularly in the sport industry have continued to rise in numbers and value (Moorman, 2006). In a study in Jordan, the respondents are generally interested in celebrity endorsement in advertising even though it does not promote any brand preferences behavior (Aslmadi, 2006).

Another area in advertising ethics that has sparked research interests is in the area of industry regulation and self-regulation. The implementation of self-regulation by the advertising agencies in America has resulted in a reduction of cases related to truth and accuracy of advertisements (Rogers, 1990). Harker (2003) believes that the regulation of advertising activities is essential in protecting individuals who cannot protect themselves from undesirable behavior. Lexchin (2003) on the other hand, argues that self-regulation have the propensity to be reactive, lack of transparency, and also lack of effective sanctions. Self-regulation can help advertisers from external regulation imposed by the authority and also protect the consumers from deceitful acts of unethical advertising (Hawkes, 2005).

Theological Ethics

Another approach towards ethics is theological ethics. For many religious people, religion, ethics, and morals are inseparable (Burton & Bosek, 2000). The secular and religious bases of ethics involve an objective rationale that contains central principles, such as benevolence and respects for persons and justice(Nielsen, 2002). Many people believe that religion provides answers to moral puzzles and moral motivations(Barcalow, 2003, p. 32). In popular thinking, morality and religion are inseparable because people commonly believe that morality can be understood in the context of religion (Rachels, 1999, p. 54). The Victorian Certificate of Education's Religion and Society Study Design defines religious tradition as a social tradition characterized by eight aspects or types of phenomena; beliefs, myths, ethics, rituals, religious experience and spirituality, texts, symbols, and social structure(Elliot & Tuohy, 2006, p. 149). Parboteeah et al. (2007) claim that as religions are important in the shaping of societal values and norms, individuals identifying with such religions are more likely to live by these values and adhere to these norms.

Muller (2001) suggests the enlargement of the concept of rationality in order to take into account the critical contributions of cultures, traditions and religions to an ethics of reconstructions. Waller (2005, p. 13) argues that if we do something just because we are afraid of God's punishment or doing it for the sake of getting God's reward, then the act itself is doubtfully moral in nature. White (1992) on the other hand excluded religious approach to ethics based on three reasons; (1) Religious and philosophical ethics are two different endeavors because the former is more towards spiritual while the later concerns intellectual, (2) Religion often speaks the language of authority when making moral assertions, and (3) Some people believes that religious person will always be ethical.

Kavka and Rashkover (2004) argue that the radical difference between God and the natural world means that grounding divine command in divine love can only ground a formal claim of the divine on the humans. According to the divine command theory, ethical principles are simply the command of God (Pojman, 2002, p. 597). Luper (2002, p. 56) argues that there are three common arguments based on the divine command theory:

1. God makes things right and good by purposely selecting them and wrong and bad by opposing them
2. God goes up against our shifting or acting in tension with any feature of human nature
3. It is improper for people to alter or act in tension with any characteristic of human nature

The theory does not come without any criticism. Some people believe that that there is no God while the others do not know what does it mean by God's law(Barcalow, 2003, p. 38). In other words, this theory believes that if there is no God, then there would be no universally valid morality. Perhaps the most influential criticism of the divine command theory is the Euthyphro dilemma which rooted from Socrates challenging the nature of holiness(Johnson, 1994, p. 42). This dilemma consists of asking whether the good exists because God wills it or whether God acts in conformity to the idea of the good(Tremblay, 2005). In other words does God command the good because it is good or it is good because

it is commanded by God (N.A, 2005).However, Waller(2005) argues that the act of adopting the divine command theory requires a reckless leap of faith because there is no way for a person to critically evaluate such moral principle based on the assumption that good is whatever God wills it to be.
Christian philosophers believe that the dilemma is false because God commands something is good and the reason it is good is an essential part of God's nature (Wikimedia Foundation, Inc., 2007). In other words, goodness is grounded in God's characters. Joyce (2002) argues that Socrates's reasoning through the Euthyphro dilemma is faulty thus the action of completely rejecting the divine command theory is unsound. Some scholars use human analogies in defending the divine command theory of the foundations of morals (Hammond, 2001). On the other hand, there are many denominations in Christianity and they offer different approaches towards understanding and practicing ethics in daily lives.
Critics of religious ethics such as Marx and Nietzsche saw religion as a reflective foundation of social conformity, as a mean of maintaining the status quo and keeping people confined to their existing social and economic positions(Hinman, 2003, p. 96). In the evolution of Christian thought, the dominant theory of ethics however is not the divine command theory but the theory of natural law(Rachels, 1999, p. 59). The ancient Stoics said that everything ought to do what is natural to things of its kind and avoids what is unnatural (Barcalow, 2003, p. 26). The core element of this theory is that the parts of the world function like part of a body and together form an organism animated by divine reason(Luper, 2002, p. 59). Natural law theory would choose to have people brought up with social training to find happiness in interdependency(Braybrooke, 2003). However, one of the criticisms against the natural law theory is that the term has been used to refer to such diverse things as the cosmic order that rule the whole universe, the global laws that oversee relations among countries, and the ground for natural justice that always remain functioning in social and political life(Guerra, 2005).

Islamic Ethics
According to Syed Nawab Haider Naqvi, the axioms of Islamic ethics are *Tauhid*, moderation, freewill, and responsibility (Naqvi, 1985, pp. 77-89). *Tauhid* in Islam can be defined as the concept of worshipping the one and only God or the concept of monotheism and it is considered a moral matter(Ahmed S. , 1999, p. 13). This is evident in Al-Quran:
"Say: He is Allah, The One; Allah the Eternal, Absolute; He begetteth not, Nor is He begotten; And there is none Like unto Him." (Al-Qur'an: Al-Ikhlas 112: 1-4)
Apart from that, even though there are considerable amount of ethical teachings and examples in the Quran, it is not the sole source of expression of the ethical ideal of Islam because the Sunnah (tradition based on the saying and doings of prophet Muhammad (P.B.U.H)) is also important source that magnifies and extends the key revelation substance from the Quran(Watt, 1979, p. 192). In Islam the first and foremost important moral and ethical element is devoting oneself to Allah(Ali D. H., 1996). Mohd Nasir Omar (1992, p. 69) defines ethics and moral from Islamic perspective as *akhlaq* or the state of feelings that shapes human behavior. Mohd Asri Abdullah et al. (2007) argues that there are two categories of *akhlaq*; *mahmudah* (good and required by Islam) and *mazmumah* (bad and should be avoided). Zakaria Stapa (1999, p. 96) argues that akhlaq is the element that promotes cohesiveness in the society.
It is the duty of every Muslims irrespective of his status in the society to reform theory brethren-in-faith so that they may win the favors of Allah(Shad, 1980, p. 58). Islam lays immense stress on morals and virtues and warns forcibly against vice; it demands the utmost level of commitment to commandments in this respect and promises the greatest rewards for those who observe them and the utmost penalty for those who do not, in this existence and hereafter (Al-Qardawy, 1995, p. 78). The Islamic doctrine is that man is originally good and untainted, but it also implied that not believing in God and lack of good actions demolishes this unique perfection and purity(Ajijola, 1999, p. 14). Syed Anwer Ali makes an interesting argument in which he argues that there is no room for any sort of skepticism as to the right or wrong and good or bad for a Muslim except that which Allah throughout His Prophet Muhammad (P.B.U.H) declares as right or wrong and good or bad(Ali S. A., 1975, p. 186). At first glance, this belief is identical to the divine command theory where good is good because God says so.
In Islam, our action is determined by our intention and the acceptance and annulment of a deed in the eyes of Allah is dependent on it. This is evident through the words of Prophet Muhammad as narrated by Bukhari and Muslim:
"Verily, all actions are but driven by intention and for everyone is what he intended"(Al-Jazairi, 2004, p. 11).
Akbar Ahmed (2001, p. 7) argues that *adab* defines a Muslim: one can be a bad Muslim from the orthodox point of view and yet a good one because of *adab* and vice versa. *Adab* can be defined as the culture or etiquette derives from the teaching of Quran and *Sunnah*. This is reflected through the words of prophet Muhammad (P.B.U.H):
"The best amongst you are those who have the best manners and characters." Hadith narrated by Al-Bukhari # 1491(Karim, 2004, p. 139) and in another hadith:
"*The best of those who are the best in morals"* Hadith narrated by Muslim # 2321 (Karim, 2004, p. 139)

In the Quran, Allah portrays the prophet Muhammad (P.B.U.H) as:
"And surely thou hast sublime morals." (Al-Qur'an: Al-Qalam 68: 4)
Prophet Muhammad (P.B.U.H) was said to have the best of ethics and morals thus he was widely known as al-Amin, "the honest one"(Ahmed A. S., 2001, p. 15). From the Muslims point of view, the Prophet is the symbol of perfection of both human person and human society(Nasr, 2003, p. 59). Since he was young, he was well known for his honesty and truthfulness among the Arab communities(Qamihah, 1996, p. 146). In the Quran, the Prophet was described as *uswa hasana* or the role model for all mankind(Lewis, 1993, p. 160). Again, it is revealed clearly in the Quran:

"Ye have indeed In the Messenger of Allah, an excellent exempler, for him who hopes in Allah and the Final Day, and who remember Allah much" (Al-Quran: Al-Ahzaab 33:21)
The key to shaping an individual towards becoming a towering personality in terms of ethics and moral emerges from practicing the necessary characteristics for the prophets such as(Ismail, 2007, p. 54):
1. Siddiq
It can be defined as being truthful verbally and behaviorally. Truthfulness means not only that we should avoid telling lies but we should do our duty honestly and live our life not only for ourselves but for all those whom we are obliged for our health, wealth, knowledge and progress(Ajijola, 1999, p. 49). The importance of being truthful was mentioned in the Quran:

"O ye who believe! Fear Allah and be with those who are truthful" (Al-Quran: At-Taubah 9:119)

According to Abdullah Al-Qari Haji Salleh (2006), *siddiq* has five levels or hierarchy:

(a) Truthfulness in terms of verbal communication
(b) Truthfulness in terms of intention
(c) Truthfulness in achieving ambitions parallel to Allah's will
(d) Truthfulness in terms of behavior
(e) Truthfulness in realizing the holiness of religious practice

2. Amanah
This characteristic is one of the strengths of the Prophet because he is protected by Allah from committing any sins(Daud, 1996, p. 113). It can also be defined as trustworthy and evident in the Quran:
"I am to you a trustworthy messenger" (Al-Quran: As-Shu'araa' 26:107)

3. Tabligh
It can be defined as disseminating revelation from Allah. In other words, *tabligh* means conveying to the creation that which they have been commanded(Husayni, 2005). This is evident in the Quran:
"O Messenger! Proclaim the (Message) which hath been sent to thee from thy Lord. If thou didst not, thou wouldst not have fulfilled and proclaimed His mission. And Allah will defend thee from men (who mean mischief). For Allah guideth not those who reject faith" (Al-Quran: Al-Ma'idah 5:67)

4. Fathanah
It can be defined as wisdom, intelligent and sagacious(Yamada, 2008). The importance of being wise and intelligent was emphasized in the Quran:
"Invite (all) to the way of thy Lord with wisdom and beautiful preaching, and argue with them in the ways that are best and most gracious, for thy Lord knoweth best, who have strayed from His path, and who receive guidance" (Al-Quran: An-Nahl 16:125)
The Islamic ethical framework is governed by the Sharia'h principles derived from the Quran, *Sunnah*, *ijma'* and *qiyas*(Abdul Hamid & Wan Nawang, 2007, p. 32). Ijma' is consensus among Muslim scholars on particular issues(Siddiqi, 1996). For an example, if an issue arises, after referring to the Quran and *Sunnah*, the scholars will discuss and reach mutual and agreed consensus on that particular issue. On the other hand, *Qiyas* is a method that Muslim jurists use to derive a ruling for new situations that are not addressed by the Quran and *Sunnah*, like many new developments of our age and like the customs of people not encountered in Arabia during the time of the Prophet Muhammad (P.B.U.H) (al-`Ujajî, N.A). In the Quran, there are several approaches towards ethics(Abdullah, et al., 2007):
1. Through discussing in detail about good and evil
2. Through enticements and threats
3. Through stories and histories

Conclusion
The literature reviews give some indication on the direction of researches on advertising ethics. Most of the previous researchers focus on the descriptive and normative approaches in studying advertising ethics while the others are focusing on the applied ethics side. Recently the trend has shifted to studying more on the applied ethics in which numerous studies are focused on deceptive advertising, advertising to minorities, sexual contents in advertising, manipulative advertising, advertising to children and also ethics advertising in new media such as the Internet and also advertising through mobile phones. The author would like to propose a study that employs the grounded theory method of analysis while focusing on the advertising functions based on Cunningham's definition of advertising ethics; "what is right or good in the conduct of the advertising function" (Cunningham, 1999).
Due to a number of researches focusing on the social problems arising from advertising, the author believes that a study on the definition of advertising ethics based on its social functions is needed especially through an Islamic perspective. This will give an insight on how advertising ought to be in terms of ethical and moral responsibilities towards the society. This proposed research will focus on the Islamic perspective, approach, and understanding of advertising ethics in order to contribute to the growth of the body of knowledge. The author realizes that there is no study done in this area thus more information and inputs are greatly needed from the public and this has initiated the researcher to venture into this

area. In light of numerous problems created by unethical advertising, first, the industry needs a new input on how advertising can perform its roles as a medium that connect the manufacturers or the producers to the end consumers without neglecting the ethical aspects in the society thus the researcher suggests a new perspective to understanding advertising ethics through a theological approach using an Islamic outlook.

Secondly, since most of the negative aspects come in the form of social impacts, a thorough study is being proposed to understand advertising roles especially in terms of its social functions. Hopefully, by understanding its social roles, a new approach of coming up with ethically solid advertisements will become a reality. Finally, this proposed study will in turn help the authorities around the world to develop a new Code of Advertising Ethics that will govern all the advertisements regardless of the medium being used. Furthermore, it will also assist the advertising practitioners to review its self-imposed code of ethics and incorporate Islamic elements into the existing codes of ethics.

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Factors Influencing Young Muslims' Intention To Consume Halal Food.

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Abstract
Purpose: This study aims to identify the factors that influence young Muslims' intention to consume *halal* food in Malaysia.
Design/methodology/approach: Ajzen's Theory of Planned Behavior is adapted as a theoretical framework postulates three components which are attitude, subjective norms and behavioral control of consumers. Data were collected through self administered questionnaires. Data were collected through self administered questionnaires. The respondents comprise of Malaysian young Muslims consumers between 16 to 35 years old.
Findings: The findings of this study show that intention to consume *Halal* food in Klang Valley, Malaysia predominantly influenced by young Muslims' positive attitude and their behavioral control towards *halal* food. Subjective norms factor is found to have no significance influence compared to attitude and behavioral control of young Muslim intentions' in consuming *halal* food in Malaysia.
Research limitation/ implication: There is a limitation of this study to be considered for the generalization of the results. The sample of respondents was only from Higher Learning Institutions in Klang Valley and Selangor state. Therefore, future research may broaden the sample size and expand the geographical areas to other states in Malaysia. Future research also may look into the influence of behavioral control and subjective norms towards the attitude of young consumers in choosing *halal* food and other products.
Originality/ value: This study contributes and extends knowledge of the Muslim consumers' behaviors in consuming halal food. The finding provides information to the manufacturers in expanding their market and for governmental agencies and associations to promote halal food.

Keywords: consumers' behavior, *halal* food, Theory of Planned Behavior.

Introduction

The *halal* food industry is one of the fastest growing food industries and expected to increase further in the world market (Suddin Lada 2009). There are more than two billion Muslims in the world populated over 112 countries, who are the current consumers of *halal* food (www.mida.gov.my). Muslim consumer market is the fast growing market which resulted by religious conviction on *halal* and the remarkable acceptance of *halal* concept through the process of assimilation in the global society (Syed Shah Alam, 2011). Furthermore, in most Muslim countries, the consumption of *halal* food is a part of complying with the state law (Jamal, 2003).

Halal is an Arabic word which means lawful or permitted. *Halal* food can be defined as food which is not made of, or contains any part of animal which is forbidden in Islam (for example pork) and free from any non *halal* elements. *Halal* food should be prepared, processed or manufactured hygienically and safe to consume. This includes the process of slaughtering, storaging, displaying and the preparation of the food itself (Shahidan & Md Nor Othman, 2004). Malaysia is trying to play a bigger role in this industry but its participation is still insufficient compared to the neighboring country namely Thailand as the fast emerging *halal* hub in the region. (Syed Syah Alam, 2011). In Malaysia, it is compulsory for *halal* food outlet to acquire *halal* certification from Malaysia's Department of Islamic Development (JAKIM). Manufacturers and food operators use *halal* certification as an assurance to the consumers that their food or products are *halal* compliance and as a benchmark for safety and quality assurance to consumers. Therefore, *halal* certification is crucial in giving confident to consumers on the *halal* food that they consume.

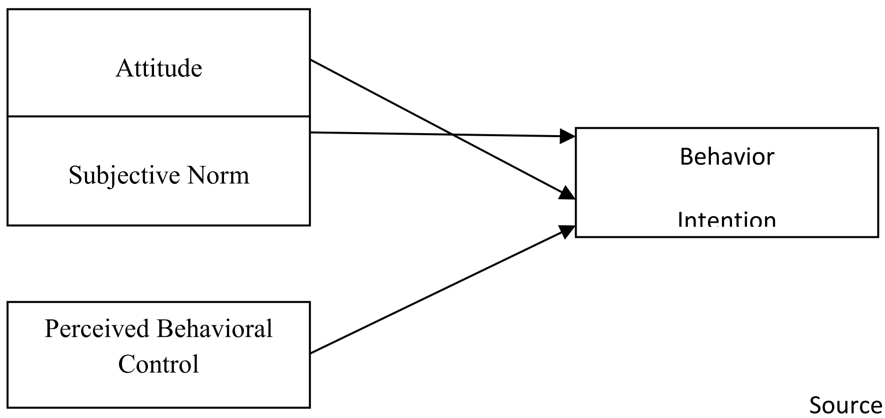
Objectives and research questions

This study aims to identify the factors which influence young Muslims' intention to consume *halal* food in Malaysia. Therefore, the general research question of this study is: What are the factors that influence young consumers to consume *halal* food in Malaysia? Specifically, this study examines the factors based on three variables of TPB; attitude, subjective norms and behavioral control and how they are related to the intention of young consumers in choosing *halal* food in Malaysia.

Methodology
The scope of this study is Muslim young consumers in Higher Learning Institutions at Klang Valley and Selangor state. A questionnaire was administered using random sampling method for the data collection. The respondents comprise of Muslim students aged 18-25 years old from five Higher Learning Institutions. 300 questionnaires were distributed and a total of 255 questionnaires were completed by respondents. Prior to the actual survey, 50 questionnaires were used to facilitate a pilot study for this research. The questionnaire used a 5-point *Likert* scale indicated strongly agree, agree, neutral, disagree and strongly disagree. Descriptive analysis, regression and correlation method were used to explain the relationship between dependents and independent variables in this study.

Literature Reviews
Generally religion influences consumer intention and behaviour in many societies (Delener, 1994 & Pettinger, 2004). It is also a factor in deciding food purchasing and developing food habits of individual and society. Besides, the impact of religion on food consumption is closely related to its teaching and people's interpretation of the religion itself. Other than religion, the intention to consume or purchase food is also associated to attitude, social pressure and behavioral control of individual. Social structure such as people's origin and generation differences is also playing a part in predicting dietary preferences of consumers (Bonne, 2007).
In Malaysia, consumers' attitude on *halal* food is closely linked with *halal* certification as verified and issued by JAKIM. *Halal* logo reflects that the food is permissible to consume by Muslims and has undergone strict inspection before the certification is issued. *Halal* certification in Malaysia provides competitive advantage for manufacturers and quality assurance for consumers. The introduction and enforcement of this *halal* certification generally increase the understanding and awareness of Muslims in Malaysia to consume Islamic compliance products and food (Shahidan & Md Nor Othman, 2004). The consumption of animal products is mainly given attention and regulated according to their religious prescription (Shatenstein and Ghadirian, 1997).However, from the non-Muslim perception, *halal* certification is important only for Muslims because they are required to consume *halal* food as according to Islamic teaching (Golnaz R., Zainalabidin et al, 2010).
The Theory of Planned Behavior (TPB) has been adopted in number of studies related to consumers' behavior and social psychology (Ajzen, 1991). There are several studies on *halal* food consumption used TPB as their theoretical framework in determining consumers intention to purchase and consume *halal* food and products (Ajzen, 2005). A study conducted by Syed Shah Alam (2011) on attitude towards *halal* meat purchasing demonstrated that attitude, subjective norms and behavioral control have significant impact on intention to purchase *halal* food.

Theoretical Framework
A number of frameworks have been proposed to elucidate consumers' behavior towards food (Sparks and Shepherd 1992). However, TPB and TRA are among the two prominent frameworks used in explaining Muslims consumers in choosing *halal* food and products. TRA presents two determinant variables which are attitude and subjective norms (Lutz, R.J 1991). In addition to TRA's variables, TPB include the behavioral control another determinant in predicting consumers' behavioral intention. Therefore TPB was adopted in this study not only because it is proven effective in predicting consumers behavior towards *halal* food (Syed Shah Alam, 2011) but also because it incorporates behavioral control as one of the determinant variables in determining consumers intention, particularly Muslims in choosing halal food. This view is supported by Armitage (2001) who claims that perceived behavioral control is often found as a good predictor of behavior.
According to TPB, intentions to perform the behaviors are influenced by three independent determinants; attitude, subjective norm and perceived behavioral control (Ajzen, 2000). In this study, attitude towards the behavior is the respondents' favorable or unfavorable evaluation to consume *halal* food, subjective norms is a perceived social pressure for young consumers to consume *halal* or non *halal* food and perceived behavioral control is a belief about individual control of the opportunities and availability of *halal* food in Malaysia. The research model used in this study is also based on TPB as shown in the figure 1.



Source: Ajzen (1991)

Figure 1.

A Schematic diagram of TPB

The framework shows that attitude, subjective norms and perceived behavioral control have certain influence towards behavioral intention, and in this study, towards Muslims intention in choosing *halal* food. Hence, the framework yields the following hypotheses.
H1: There is a positive relationship between attitudes of young consumers towards intention to choose *halal* food.
Attitude has an influence towards the behavioral intention, and in the context of this research towards Muslims intention in choosing *halal* food. In this study, attitude is also characterized by religious based evaluation on the importance of eating *halal* food for Muslims. Borne (2006) describes that Muslims eat *halal* meat to follow and abide by their religious teaching.
H2: There is a positive relationship between subjective norms of young consumers towards intention to choose *halal* food.
Human behavior is guided by the expectations of others such as friends, family and societal norms (Van Hooft et al., 2006). As a majority Muslim country, Malaysia apparent as collectivistic society where people tend to perceive themselves as interdependent with their society (Karijn et al, 2007).
H3: There is a positive relationship between perceived behavioral controls of young consumers towards intention to choose *halal* food.
According to Ajzen (1980) perceived behavioral control can contribute to the prediction of behavior. In this study, perceived behavioral control is referred as the ability and availability to purchase and consume *halal* food.

Findings
255 questionnaires were answered by the Muslim respondents aged 18-35 in Klang Valley, Malaysia. 75 respondents were selected to complete the pilot test. The questionnaire was pre-tested to determine the feasibility and reliability of the questionnaire.

Characteristics of the Respondents
Table I shows the profile of respondents. 140 respondents were female (54.9%) and 115 (45.1%) were male. Majority of the respondents (77.3%) were between 19-28 years old. 225 respondents (88%) were Malaysian and the rest were from other countries. 117 respondents (45.9%) acquired formal knowledge about *Halal* in *Fardhu Ain* Class (KAFA). Respondents acquired non formal knowledge about *halal* through internet (22.7%), family (27.8%), books (14.5%), magazines (9.8%), television (5.1%), friends (3.9%0, and radio (2.7%).

Table I Profile of Respondents

Demographic variables	Details	Frequency	Percentage (%)
Gender	Female	140	54.9
	Male	115	45.1
Age	16 - 18 years old	55	21.6
	19 - 28 years old	197	77.3
	29 - 35 years old	3	.9
Education	Certificate	39	15.3
	Diploma	72	28.2
	Degree	45	17.6
	Post Graduate	15	5.9
	Others	84	32.9
Formal Knowledge about *Halal*		117	45.9
	Fardhu Aid Class (KAFA)		
	Primary School	67	26.3
	Secondary School	57	22.4
	College	5	2.0
	University	9	3.2
Non-Formal Knowledge about *Halal*	Books	37	14.5
	Magazines	25	9.8
	Newspaper	34	13.3
	Radio	7	2.7
	Television	13	5.1
	Internet	58	22.7
	Family	71	27.8
	Friends	10	3.9
Origin	Malaysia	225	88.2
	Asia	9	3.5
	Middle East	8	3.1
	Europe	1	.4
	Central Asia	7	2.7
	Others	5	2.0

Validity and Reliability

Factor analysis was conducted in order to ensure the internal consistency of measurement items by using principal component analysis. An Eigen value of more than one was used to determine the criteria for each factor in factor analysis. The result of factor analysis shows that each instrument exceeds 0.6, which met the essentially significant level of convergent validity. The reliability of the items in this study was verified by computing the Cronbach's alpha. Nunnally (1978) recommended a minimum alpha 0.7 for basic research reliability. Table II show that the Cronbach's alpha projected scale for attitude was 0.754, subjective norm was 0.699, perceived behavioral control was 0.852 and behavioral intention was 0.719. Therefore, the reliability of the constructs was adequate for this study

Table II reliability Coefficient

Variables	Number of items	Items dropped	Cronbach α
Attitude	14	-	0.754
Subjective Norm	5	-	0.699
Behavioral Control	5	-	0.852
Intention	3	-	0.719

Descriptive Statistics

Table III presents the mean scores and standard deviations of the constructs used in this study according to Theory of Planned Behavior. All mean scores are presented on five point Likert scale. Generally, respondents' attitude was rated at 4.56, subjective norm was at 4.03, behavioral control was at 4.12 and behavioral intention at 4.97 Behavioral Intention was identified as the highest mean and subjective norm is the lowest mean among the constructs.

Table III Descriptive Statistics

Variables	Mean	Standard Deviation
Attitude	4.56	1.32
Subjective Norm	4.03	2.14
Behavioral Control	4.12	0.99
Behavioral Intention	4.97	0.75

Hypotheses testing

The three hypotheses were tested using correlation and regression analysis and the result is presented in the figure 2. The result reveals that attitude is positively influence the intention to choose *halal* food **(β=0.297**, p<0.01)**. Perceived behavioral control also showed the significant influence **(β=0.195*, p<0.05)** towards behavioral intention to choose *halal* food. However, subjective norm has no significant influence **(β=0.122, p=0.147)** on intention to choose *halal* food. The R^2 of 0.77 indicated that 77% of the variation in intention to choose *halal* food could be explained by attitude and perceived behavioral control

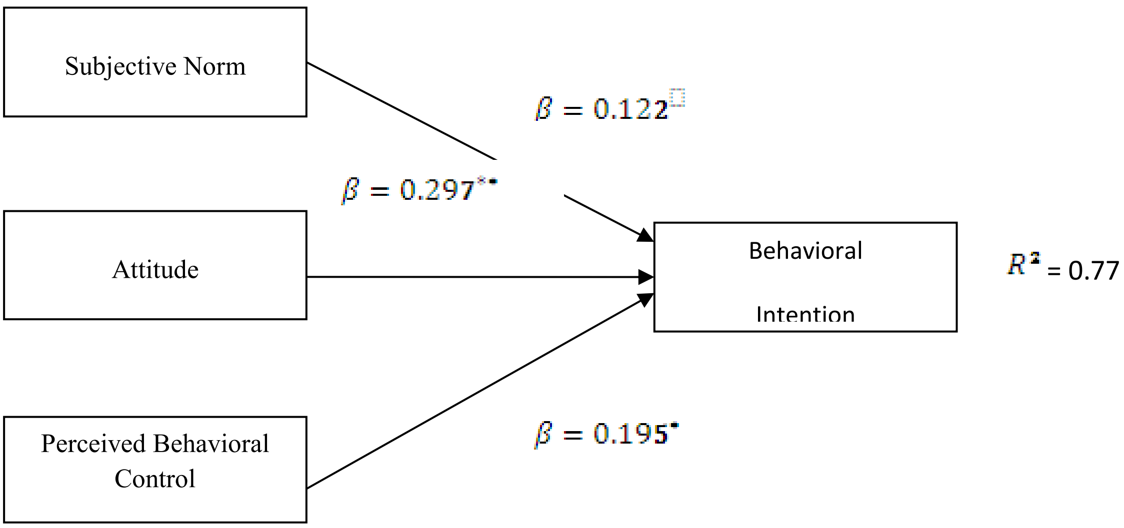


Figure 2: Result of Regression Analysis

Table IV: Result of Correlation Analysis

Variables	Attitude	Subjective Norm	Perceived Behavioral Control	Behavioral Intention
Attitude	1.000			
Subjective Norm	0.241**	1.000		
Perceived Behavioral Control	0.397**	0.325**	1.000	
Behavioral Intention	0.297**	0.122	0.195*	1.000

Note: **Correlation is significant at the 0.01 level
*Correlation is significant at the 0.05 level

Discussion

This study reveals that factors that influence young consumer to choose *halal* food are determined by their attitude and behavioral control. The result shows that positive attitude towards *halal* food is the most important factor influencing the intention to choose *halal* food. This finding confirms the study of Syed Shah Alam (2011) which confirmed that attitude is an important factor in predicting intention to consume *halal* food. The attitude of Muslim consumers in the context of this study, is also embracing their trust on *halal* food. Aitelmaalem, Breland & Reynold (2005) also stress on the consumers trust in determining the *halal* food consumption among Muslims.

Behavioral controls also portray significant role in predicting consumers' intention to choose *halal* food particularly in Malaysia where *halal* food is easily accessible by Muslim consumers. This indeed confirms the study conducted by Bonne and Verbeke (2006) and Karijn et al (2007), but contradicts with the findings of Syed Shah Alam (2011) which finds that behavioral control is not an important predictor on intention to choose *halal* food.

Subjective norms are found as not significant in choosing *halal* food among young consumers in this study. It reveals that family does not play an important role compared to other group of people particularly peers and friends. This is because of the respondents of this study are young consumers aged between 16-35 years old lived in the urban area of Klang Valley, and they are more independent in choosing food and often being influenced by peers and friends. This study confirm with the finding of Liou and Contento (2001) which shows that the subjective norms do not have positive influence towards food behavioral intention. However, this is in contrast with the findings of Suddin Lada, Geoffrey and Hainuddin (2009) as they reveal that Malaysia's subjective norm is significant where family, friends and colleagues are strong determinant points in choosing *halal* products. Syed Shah Alam (2011) also stress the fact that Malaysia with predominant Muslims population practices collectivistic cultures which subjective norms normally play important roles for Muslims in *halal* food purchasing.

Practical implication of this study suggests that Government and marketers may incorporate the element of attitudes and social pressure in their *halal* food campaigns and advertisements. Knowledge and awareness on *halal* food should be also incorporated in the existing Islamic Studies subject at the school level for young Muslims to inculcate the right attitude in consuming *halal* food in their daily life.

Limitation and future research

There is a limitation of this study to be considered for the generalization of the results. The sample of respondents was only from Higher Learning Institutions in Klang Valley and Selangor state. Therefore, future research may broaden the sample size and expand the geographical areas to other states in Malaysia. Future research also may look into the influence of behavioral control and subjective norms towards the attitude of young consumers in choosing *halal* food and other products.

Conclusion

The result of this study shows that factors that influence young Muslims consumers to choose *halal* food mainly because of their positive attitude towards *halal* food and the availability of *halal* food in Malaysia. However, surprisingly subjective norms particularly family does not play significant role for young consumers to choose *halal* food in their daily life. The insignificant role of subjective norms is contradicting with other studies which focus on Muslims consumers in general (Arshia Mukhtar 2012, Syed Shah Alam, 2011, Suddin Lada 2009, Karijn 2007). This might happen because they are urban young consumers who normally more self-determining in making decision of their food inclination. As Malaysia generally practices collectivistic culture, the role of family to educate their family members on the importance of *halal* food should be spiraling by the society. From the behavioral perspective, government and marketers may incorporate the attitude, social pressure and behavioral control in promoting and publicizing *halal* food and products in Malaysia. Knowing the fact that attitude is the most vital factor in determining *halal* food consumption, creating positive social expectation of *halal* products, for example the assured quality of the products (Karijn 2007), may possibly enhance the demand of *halal* food in the market.

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The Impact of Cultural and Religious Animosity on Product Evaluations and Purchase Intentions: Development and Testing of the Model

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Abstract
Research over the last ten years has highlighted the complex attitudes informing product evaluations based on country of origin. Critical among these are attitudes of animosity held by members of one community toward the country of origin. Although issues of cultural and religious differences are complicated, assessing the influence cultural and religious animosity have on purchase intentions is even more complex and is often neglected in the consumer behavior literature (Klein, Ettenson and Morris 1998). The purpose of this study is to fill this gap in three ways: (1) to extend the animosity model developed by Klein et al. (1998) by adding cultural and religious animosity constructs, (2) to provide a measurement tool with which to measure the cultural and religious constructs, and (3) to provide explanations, and thus an understanding, of how cultural and religious differences impact consumer intention to purchase.
A man told his grandson: "*A terrible fight is going on inside me -- a fight between two wolves. One is evil, and represents hate, anger, arrogance, intolerance, and superiority. The other is good, and represents joy, peace, love, tolerance, understanding, humility, kindness, empathy, generosity, and compassion. This same fight is going on inside you, inside every other person too.*" The grandson then asked: "*Which wolf will win?*" The old man replied simply: "*The one you feed.*" Anon.

Introduction
Research over the last ten years has highlighted the complex interplay of attitudes and evaluations informing product evaluations based on country of origin. Critical among these are consumer ethnocentrism and attitudes of animosity toward specific countries of origin (Shimp and Sharma 1987; Klein, Ettenson, and Morris, 1998; Leong, et al. 2008). This animosity influences evaluations of products from these countries, which combine with other cultural beliefs and attitudes related to the superiority of the country's products, to form country of origin effects that influence perceptions of the suitability of these products and intentions to buy them. As shown by Klein and her colleagues (1998), long-held feelings of animosity affect consumers' buying intentions, even when they are not directly affected by the actions perpetrated by the people or government in the country of product origin. Expanding this, Nijssen and Douglas (2004) found the effect is associated with a specific product/country combination, not only through the level and type of animosity engendered, but through less affective factors, such as the availability of alternatives and general level of imports into the country.
Not only might individuals deem products unacceptable due to their country of origin, a more global reaction is possible. Consider the conflict between Denmark and the Muslim world over publication of cartoons considered offensive to Muslims (BBC, 2006). This precipitated a boycott based on animosity toward the country and desires to retaliate against perceived wrongs by withholding economic resources. This is in sharp contrast to more conventional boycotts based on economic and political discord. In this example, we see not only that several Muslim countries have called for the boycott of Danish products, but have generated protests in Syria, Lebanon and several other Muslim countries. This example

indicates that religious and cultural animosity may have similar economic impact to that of war and economic animosity discussed by Klein et al. (1998), because this type of animosity strikes at the core values of the culture, rather than representing some more generalized feeling of inequity or past mistreatment.

Although Klein's animosity model has been well received and tested in different countries (Nijssen, Douglas and Nobel 1999; Shin 2001), the model only evaluated the impact of war and economic animosity. Therefore, there are three main purposes for this study. (1) To extend the animosity model developed by Klein et al. (1998) by adding cultural and religious animosity constructs, (2) To provide a measurement tool with which to measure the cultural and religious constructs, (3) To provide explanations, and thus an understanding, of how cultural and religious differences impact consumer intention to purchase . There is a growing need for such measures as more corporations seek a global market, bringing them face-to-face with potential animosity from consumers in that marketplace.

Recent Evidence of Cultural and Religious Animosity on Purchase Intentions

Recent events demonstrate the pervasiveness and negative consequences of these country-of-origin effects on a company's ability to export products to a given country. For instance, on February 6, 2006, BBC News reported that Iran had cut all trade ties with Denmark in protest of the cartoons depicting Prophet Mohammad in images offensive to Muslims. Following suit, many Muslim countries announced similar boycotts. BBC News (2006) announced that Danish companies in many Muslim countries were losing millions of dollars a day as a result of the boycotts and the violence that has erupted in protest to the cartoons. On September 24, 2010, the BBC News reported that the state of Texas adopted a decree rejecting 'pro-Islam' school books in a move that may put a ban on the use of these books in public schools in Texas and the entire United States. This phenomenon of religiously motivated boycotts is extending itself to even small towns. According a recent website post (Lakshman, 2010), Kerala's influential Catholic church has planned a silent boycott of Muslim-run shops in Muvattupuzha, Kothamangalam and Thodupuzha areas following the chopping of Professor T D Joseph's palm by alleged Popular Front activists. These are small towns in India. On September 15, 2006, BBC news reported of the Muslim anger across the Arab and Muslim world toward Pope Benedict XVI for his comments about Islam. This also has lead to calls for boycotts of all papal products. In 2007 CBS news reported on the Muslim anger over Britain's awarding a knighthood to controversial writer Salman Rushdie, the author of satanic verses. On October 19, 2009, Al-Arabiya News reported that the Israeli chain of coffee shops, Elan, has stopped serving Turkish coffee to its customers as a response for the Turkish TV series showing an Israeli soldier firing at a young Palestinian girl. The coffee chain called for a boycott of the Turkish coffee in Israel (Al-Arabiya News, 2009)

On November 22, 2007, Al-Arabiya news reported a new call for boycotts against a wealthy Coptic Christian from Egypt who owns a large portion of the telecommunication industry in the Arab world, as well as other enterprises. The proposed boycott came as a result of a remark on dress which has been interpreted as an insult on an Islamic principle. On November 30, 2009, The Economist reported on the Swiss referendum on the construction of mosque minarets, in which nearly six in ten Swiss voted for a ban (The Economist 2009). Boycotts and bans have not been limited to tangible products but also services. Consider the boycott of Facebook on October 24, 2009 called for by Muslim youth as a result of Facebook administration to remove content considered insulting to Islam (Al-Arabiya, 2009). On August 23, 20110, the Los Angeles Times reported of the controversial mosque proposal to be built near ground zero in NY, sparking protests in the United States.

The impact of animosity on purchase intentions does not take place only between different religions. Evidence suggests it also exists within the various religions. For example, recently the Coptic Christian Orthodox Church in Egypt has called for a total boycott of the Family Foods brands in Egypt, which was owned by a Christian belonging to another Christian denomination called the Seventh Day Adventist Church (http://www.youtube.com/watch?v=wt8raHL-DV0&feature=related). Similarly, the Iraqi invasion has also lead to the proliferation of war between the two major Muslim religious groups there, Sunni and Shia. The internal conflict between these two groups has been on the front pages of various news media such as Aljazeera and Al-Arabyia. While the two groups are of the Muslim faith, they have been in a full war with each other since the invasion of Iraq in 2003 mainly due to differences in religious interpretation (Shuster, 2007).

The continued escalation of such protests based on cultural differences between cultures was predicted by Huntington (1993). This cultural and religious animosity has contributed to the recent success of brands that are religion-based, such as Mecca-Cola and Qibla-Cola in Muslim nations that was derived partly from Islamic consumers' disapproval of American foreign policy following the invasion of Iraq. Supporting this, Huntington (1993) argues that the clash of civilizations will only increase because differences among civilizations are not only real, they are basic. He believes that differences in history, language, culture, tradition and, most importantly, religion will be the driving forces for future conflicts. History is full of examples of wars that have been fought based on religious and cultural differences. If religious and cultural differences can lead to armed conflict and atrocities, it is reasonable that religious and/or cultural animosity toward a nation or culture might also affect consumers' willingness to buy products produced by companies identified with the source of this animosity. Moreover, Huntington (1993) argued that differences in culture and religion create differences over policy issues, ranging from human rights to immigration to trade and commerce to the environment.

Background

In this section we discuss differences between the religious and cultural animosity model presented in this research and previous studies including only subsets of these constructs. Klein and her colleagues (1998) defined animosity (war and economic) as the "remnants of antipathy related to previous or ongoing military, political or economic events" (p. 90). Their findings show that consumer animosity toward a country led consumers to reject products identified with that country despite their evaluations of the product itself, however, her evaluations of animosity were limited to war and economic animosity. Certainly, other types of animosity exist between countries and these have yet to be evaluated for their impact on product evaluations and purchase intentions.

Consumer ethnocentrism was derived from the construct of ethnocentrism, which is rooted in a belief that one's own group is superior to other groups (Adorno et al. 1950). Consumer ethnocentrism is a generalized belief that buying all foreign products is inappropriate, regardless of which foreign country produced the product and may lead consumers to reject foreign products regardless of perceived product quality or beliefs about the country itself (Shim and Sharma 1987). Previous research findings reveal that both animosity and consumer ethnocentrism affected purchase intentions (Klein, et al 1998). This suggests the two constructs differ in aspects critical for managers.

Although the above constructs were found to be independent in prior empirical trials (Klein et al. 1998) and explain why a consumer may not purchase foreign products in many situations, the difference between animosity and other constructs is critical for marketers. Animosity leads to rejection of products from a specific country or countries, while consumer ethnocentrism may result in a general rejection of all foreign products. Thus, someone who scores low on the CETSCALE, a tool designed to assess consumer ethnocentrism, might still reject products from a specific country they view as having a negative impact on themselves, their ancestors, their neighbors, or their nation. Animosity likely exists as a continuum. For instance, an individual may have a small amount of animosity toward Country A and avoid its products. However, if an individual encounters a product from Country A that is dramatically superior to alternative products, they may overcome their animosity toward Country A and purchase the product. They may also have a strong animosity toward a country and avoid all of its products, regardless of their perceived quality.

The Cultural and Religious Animosity Model

In this section, we begin developing the model represented by Figure 1. This model includes economic animosity and the new constructs of cultural and religious animosity. As with earlier studies, we present animosity as directly influencing purchase intentions which are also influenced by consumer ethnocentrism, which we include as a control variable. We propose that the construct of religious animosity—defined as one's intolerance of and antipathy toward another person, country or nation because of religious differences—and cultural animosity—defined as one's intolerance of and antipathy toward another person, country or nation because of cultural differences—will affect consumers' purchase behavior in the international marketplace.

Insert Figure 1 About Here

There are crucial differences between the war and economic animosity construct developed by Klein and her colleagues (1998), later supported by other researchers (Nijssen and Douglas 1999; Shin 2001), and the religious and cultural animosity constructs developed in this study. Specifically, there are two types of animosity: situational and stable (Pornpitakpan and Kau 2002). Situational animosity can be sparked by a particular episode such as war while stable animosity tends to accumulate over time evolving into a long lasting and deeper hostility that is ingrained over time. Thus, war and economic animosity likely resemble situational animosity while religious and cultural animosities are more stable. Thus, cultural and religious animosity are not simply extensions of those studied earlier, they are core elements of our definition of self (Huntington 1993). Huntington (1993) argues that this characteristic makes these types of animosity fundamental in conflicts between nations. Arguably, cultural and religious animosities are deeper and longer lasting compared to war or economic animosity.

Another critical difference between animosity studied here and that from earlier studies is earlier studies looked at events occurring in the past, while cultural and religious animosity constructs are based on present religious and cultural discords. War causes and economic disputes are usually resolved after a period of time when the differences are eliminated or explained. The same outcome is unlikely when it comes to major religious differences that constitute the core value of each religion. For example, despite conflicts with Japan and Germany in WWII, much of Europe and the US are fertile markets for automobiles from these countries.

A third difference is the relative ease with which cultural and religious animosity bloom. Consider the examples of Denmark and the two Iraqi religious groups indicating the relative ease with which religious and cultural animosity developed. This is supported by the argument that stable animosities can easily be ignited (Pornpitakpan and Kau 2002). In the case of Denmark, it only took the publication of some pictures by one newspaper to incite violence in many Muslim countries and the same outcome happened as a response to the remarks made by the Pope regarding the Muslim religion.

As a fourth point of distinction, we believe the impact of cultural and religious animosity can be more prevalent among citizens. For example, according to CBS news (2004), millions of people in Iraq did not resist the U.S. occupation at first. However, when the war was viewed as a religious war, the reactions of a large number of Iraqis changed. Based on this argument we believe cultural and religious animosity may be more universal within a country's population or even across a specific region compared to war or economic animosity. However, cultural and religious animosity may also be shared by dispersed people across the globe who belong to the same faith or culture. Therefore, these types of animosity have the potential to cross national boundaries and racial differences, making their impact more far reaching than war and economic animosity.

A final point of difference between the animosity constructs involves an additional distinction between war animosity and economic animosity. When nations are perceived to be engaged in unfair trading practices, they might experience repercussions from consumers in certain foreign markets. However, the resulting animosities will typically fade once economic relationships are mended. Based on the discussion of Klein et al. (1998), war animosity results from a specific

war-based event. However, unlike with economic-based event, the animosity that results from war-based events may become so deep-seated that it remains well after the salience of the initial events has faded from memory.
Together these differences lead us to the belief that war animosity, as developed by Klein et al. (1998), is a situational manifestation of cultural animosity. More precisely, we propose that war animosity is merely cultural animosity as tied to a particular occurrence of war activity. As such, war animosity assesses situational animosity toward a culture, rather than enduring, or stable, animosity toward a culture. Because it is more enduring, cultural animosity should have broader application for investigating consumption attitudes and behaviors as compared to war animosity, while capturing the same underlying intolerance of and antipathy toward another culture.
Throughout history, both economics and religion have played critical roles in many aspects of life including whether countries traded with each other or declared war against one another. For example, some Muslim religious leaders make it a religious, and in essence a moral, obligation for the faithful to boycott foreign products from certain countries at certain times. Saudi Arabia and Kuwait banned Barbie toys from their markets calling them a threat to morality and complaining that the revealing clothes of the "Jewish" toy are offensive to Islam (CBS News 2003; Gulf Marketing Review, 1996). More recently, Muslim leaders have called for a boycott on French products in protest over France's move to ban Islamic headscarves from schools (Aljazeera News 2004). Similarly, Jewish children are taught that all Muslims are their enemies and forbidden from making them friends or intimates (American Jewish Publication 2003).

H1: Economic animosity will have a positive impact on cultural animosity.

H2: Religious animosity will have a positive impact on cultural animosity

Cultural animosity has also played a role in world affairs and in consumer behavior. Grantham (1998) argues that it is easy to trace French animosity toward America back a century and a half and this animosity played an instrumental part in placing quotas on American films in France. Similarly, American consumers boycotted French products (wine, etc.) during the American/Iraqi war because the French government would not support the American invasion of Iraq (CBS News 2003). Meanwhile, Saudi school children are taught intolerance and contempt for the West, Christians and Jews in their textbooks (Harris 2003). Cultural animosity can also be seen between France and outsiders who it sees as threatening the uniqueness of the French culture and that influences French consumer behavior (e.g. not purchasing certain products that the consumer may view as a direct threat to the French national culture). An example of the effect this animosity has on consumption can be seen in their import restrictions on American television programs, which nearly wrecked the Uruguay round of GATT talks (Granthan 1998). The impact of this cultural animosity does not apply only to cultures that are drastically different. There is probably little argument that the American culture and the Canadian culture share many similarities. However, Canada has also taken measures to protect its culture from the American cultural invasion by restricting the amount of radio air time dedicated to foreign products. It seems plausible that cultural animosity will have a negative impact on foreign product purchase intention. Thus we propose:

H3: Cultural animosity will have a negative impact on willingness to buy.

It seems logical to think that there is an overlap between religion and culture. We believe religion has an impact on culture and cultural practices. For example, Kabasakal and Bodur (2002) argue that the Koran (the holy book of Islam) indicates inequalities in power distribution and Islam clearly advocates that people accept the authority of people in leadership positions and followers should not be critical of decisions and applications of their superiors but obey them. It is clear that this religious teaching has influenced the cultural values of the Islamic Arab world. This may be seen in the many autocratic governments in the Arab Islamic countries. Though these are theocracies, the influence of religion on culture is pervasive. For instance, consider the puritanical culture prevalent in much of the US, which reinforces religious values of family, hard work, and conservative behavior.

Method

Qualitative Data Collection

Given the lack of theoretical guidance regarding what items should be included in the constructs of religious and cultural animosity, a qualitative study was conducted. A standard question guide, including some probing questions, was developed. Interviews were analyzed to identify themes that would provide the researchers presumptive scale items (Glaser and Strauss 1967).
A stratified sample procedure was used to select informants (Davis 1997; Patton 2000). Our goal was to obtain a sample that would include representation from all various religious groups (Christianity, Islam, Judaism, Hinduism and Buddhism) and cultures (North America, Middle East, Far East, Africa, and Latin America). Informants were chosen from a group of international students at a major US university with an international focus. Informants consisted of two Indians (Hindu), two Latin Americans (Christian), two Middle Easterners (Muslim), two Chinese (Buddhist), one African (Muslim), one Bangladesh (Muslim), one Caucasian American (Christian) and one Middle Easterner (Christian). Both genders were represented (5 females and 7 males) and a range of ages (16-52).
The analysis of the interviews provided some interesting findings. Unsurprisingly, most informants felt their religion and culture was superior to others. The reasons given for religious superiority were ‘the age of the religion, its truth content, and its consistency’. Sources of cultural superiority were the age of the culture and major cultural elements. Most participants felt that making fun of one’s culture or sarcastically questioning values found in one’s culture may cause anger and animosity toward the source of these comments. Some participants stated that being stereotyped was a source of distress and a cause for resentment and animosity. When participants were asked to define cultural and religious animosity, participants used the following key words: anger, disrespect, intolerance and hatred. Finally, Participants stated that cultural and religious animosities affect nations negatively by leading to conflicts. Below we discuss how the information obtained from interviews was used to develop the questionnaire. The qualitative data

collected was analyzed using thematic coding to identify a total of 35 items (20 religious animosity and 15 cultural animosity items). This list was further refined by assessing the face validity of each item as it pertained to religious animosity or cultural animosity and removing those that did not seem to capture these constructs as we have defined them, resulting in a final list of 25 items.

Pilot Study

Potential animosity between the United States and the Arab countries was identified as a suitable setting to be used in developing the religious and cultural animosity constructs and test the model for several reasons. First, the Arab culture and Muslim practices are often identified as different from the US. Moreover, the majority of the people in the United States are non-Muslims, so this setting provides the cultural and religious differences needed to qualify it as a good context for testing the model (CBS News 2003). Second, Wild, Wild and Han's (2003) report of a survey following the terrorists attacks of September 11, 2001 found that most U.S. citizens believed Muslims did not respect Western values, while Muslims felt the same way about Americans. This indicates that the American consumers are likely to harbor both cultural and religious animosity toward the Arabs and Muslims. Finally, the involvement of the United States in the Arab-Israeli conflict promotes an awareness among American consumers' of Arab culture and religious differences.

The 25 items, along with demographics and a religion item comprised the survey that was administered to a sample of 113 graduate and undergraduate students at the same US University. All items (except for the religious item) were measured using a 5-point Likert type scale with strongly agree and strongly disagree as anchor points. Questionnaires were distributed during class and later collected to ensure anonymity and reduce response bias by preventing respondents from being influenced by others to respond in a certain way thinking that one response is preferred to the other (Nunnally and Bernstein 1994, p. 391). Responses with incomplete data were removed from the analysis resulting in a useable sample size of 102. The validity and reliability of the constructs were assessed using factor analysis, Cronbach's alpha, and item-to-total correlations (Churchill, 1979).

Factor analysis employing Maximum Likelihood extraction with an Oblique rotation (Gorsuch, 1997a) was used to test the dimensionality of the items. As shown in Table 1, an eight factor solution was obtained that explained 41% of the variance. Five items of the original 25 items loaded on factor one with factor loadings greater than the .3 cutoff suggested by Nunnally and Bernstein (1994). Five items loaded on a second factor using the same criterion. The first factor contains items reflecting religious animosity and the second, cultural animosity. Religious animosity and cultural animosity constructs demonstrated acceptable reliability based on Cronbach's alphas (.71 and .86 respectively), which exceeded established norms (Bagozzi and Yi, 1988; Nunnally and Bernstein, 1994).

Study 2- Validation of Scale

A validation of the constructs was conducted by using a second sample to increase the external validity of the scale as recommended by Churchill (1979) and used in other scale development projects, (Lastovicka, et al. 1999; Parasuraman, Zeithaml, Berry 1989). The use of a second sample reduced concerns for potential sample bias inherent in using a single sample.

To test the model, the product judgments scale (modified from Darling and Arnold 1988; Darling and Wood 1990; Wood and Darling 1993), willingness to buy scale (modified from Darling and Arnold 1988, Darling and Wood 1990; Wood and Darling 1993), consumer ethnocentrism scale (modified from Shimp and Sharma's 1987 CETSCALE), and war and economic animosity scales (modified from Klein et al. 1998) were also included. Although the willingness to buy scale is the same as that used by Klein et al. (1998), the wording of the scale items actually result in lower scores being associated with a greater willingness to buy and higher scores being associated with a lesser willingness to buy.

A total of 62 items scale in addition to demographics items was created which included all original religious and cultural animosity in addition to the other scales mentioned above. The survey was administered to a sample of 387 none student participants with various ages, educational level, ethnicity, religious affiliations and occupations in a midsize town. Responses with missing data were removed, resulting in a final sample size of 360. All items were measured using a 5-point Likert type scale with strongly agree and strongly disagree as anchor points. Questionnaires were distributed and later collected where participation occurred and participants were asked not to include any identification information on the survey to ensure anonymity and reduce response bias (Nunnally and Bernstein 1994). Cronbach's alpha, Factor Analysis, and item-to-total correlation were used to assess validity and reliability of the constructs (Churchill, 1979).

Results

The analysis began with an exploratory factor analysis of the items assessing religious animosity and cultural animosity to further refine the scales. The results revealed a two-factor solution, with no significant cross-loadings, accounting for 61.2 percent of the cumulative variance. Kaiser-Meyer-Olkin tests of sampling adequacy and Bartlett tests of sphericity indicated that the data were appropriate for factor analysis. Next, item-to-total correlations were computed for each scale and all items revealed acceptable values. The coefficient alpha of the religious animosity scale was 0.81 and the cultural animosity scale was .90. Next, factor analysis was conducted to examine the discriminant validity of the constructs included in the model. Exploratory factor analysis (maximum likelihood with oblimin rotation) was performed to test the discriminant validity of war animosity, economic animosity, religious animosity, cultural animosity, and willingness to buy. As expected, the results revealed four factors, rather than five, which accounted for 61.6 percent of the cumulative variance. The items intended to measure war animosity all significantly loaded on the factor comprised of the cultural animosity scale items. These results offer corroboration for our conceptual argument that the war animosity scale simply assesses one's cultural animosity as tied to a specific event. Given that cultural animosity is more generalized and enduring than war animosity, as it is not tied to any particular event, we retained the cultural animosity items and dropped the war animosity items from further analysis.

The next step in the analysis was conducted using AMOS 17.02 (Arbuckle 1997). We began with the two step approach suggested by Anderson and Gerbing (1988). A confirmatory factor analysis (CFA) was conducted on the four scales: *willingness to buy*, *economic animosity*, *religious animosity,* and *cultural animosity*. Consumer ethnocentrism was also included in the CFA to ensure that it clearly discriminated from the constructs of interest in the model to be included as an appropriate control variable. One item from each of the economic animosity and ethnocentrism scales was cross-loading on multiple constructs and was dropped from further analysis. A subsequent CFA provided acceptable model fit indices: (χ^2 = 430.9, df = 221; $p < .00$); comparative fit index (CFI) = .96; Tucker-Lewis Index (TLI) = .96; and root mean square error of approximation (RMSEA) = .05.

The measurement model provided evidence of reliability, convergent validity, and discriminant validity. All indicators loaded on the appropriate latent factor which provided evidence of convergent validity. Composite reliability, the analog of Cronbach's alpha for congeneric measures, ranged from .81 to .93, which exceeded established norms (Bagozzi and Yi, 1988; Nunnally and Bernstein, 1994). All constructs met criteria suggested by Fornell and Larcker (1981) of the average variance extracted (AVE) value exceeding the correlation squared value indicating adequate discriminant validity between the constructs (Table I).

The structural model was estimated based on the proposed hypotheses (Figure 1). The fit indices for the structural model appeared satisfactory, suggesting a good fit between the data and the theoretical model: (χ^2 = 430.9, df = 221; $p < .05$); CFI = .96; TLI = .96; and RMSEA = .05 (see Table II). Based on the established literature, ethnocentrism was included as a control variable. Hypothesis 1 postulated that economic animosity will have a positive impact on cultural animosity. The resulting path coefficient between these constructs supported H1 (SPC = .37, t-value = 6.14). Hypothesis 2 proposed that religious animosity will have a positive impact on cultural animosity and this relationship was significant (SPC = .34, t-value = 5.95). Hypothesis 3 postulated that cultural animosity will have a negative impact on willingness to buy. Given that lower numerical scores on the willingness to buy scale are associated with a greater willingness to buy, hypothesis 3 was supported (SPC = .66, t-value = 11.78). Hypothesis 4 postulated that religious animosity and economic animosity will be positively correlated. A significant correlation of .51 was found between these two constructs supporting H4.

Our model explains 60% of the variance in cultural animosity and 68% of the variance in willingness to buy. We further investigated the appropriateness of the overall model in this study by comparing our model to a "nested" model in which economic animosity, religious animosity, and cultural animosity all influenced willingness to buy directly with no mediation. The fit indices for the model were as follows: (χ^2 = 539.6, df = 221; $p < .05$); CFI = .94; TLI = .93; RMSEA = .06. Although the fit indices for the nested model are satisfactory, the significant chi-squared difference test ($\Delta\chi^2$ = 108.7, Δdf = 0) reveals that the theoretical model is superior to the alternative model.

Conclusion

This paper presents evidence of the existence of cultural and religious animosity between individuals from different cultural and religious backgrounds. The recent conflict between Denmark and the Muslim world and the terrorist attacks of September 11, 2001 are the most recent reminders of these animosities. Some researchers (see Huntington, 1993) suggest that cultural and religious animosities are likely to increase in the future due to increase in civilization-consciousness. The purpose of this paper was to extend the Klein et al. (1998) animosity model by adding two more constructs (religious and cultural animosity) and to create a scale that would allow us to measure religious and cultural animosity. We collected data for different populations to develop and purify the scales. Discriminant validity showed that cultural and religious animosity scales are distinct and measure different kinds of animosity, which are related to Klein's et al. economic scale. Moreover, this study demonstrates that war animosity is a manifestation of cultural animosity tied to a particular event. As the cultural animosity scale developed within this study is not tied to a specific event, it offers a more generalizeble measure of animosity and therefore offers broader application. The data collected present empirical evidence that cultural animosity has a negative impact on a consumer's willingness to purchase foreign products. This result is similar to the effect of war and economic animosity on purchase intention found in Klein et al. (1998) study. This study provides support for Klein et al. (1998) theory of animosity and extends the theory to now include religious and cultural animosity and their impact on purchase intention.

Managerial Implication

There are several managerial implications that result from this study. First, using our construct a marketing manager may be able to make some predictions based on the dominant religion of the producing country and the importing country and the same could be true for culture providing guidance as to the level of animosity in the host country toward the home country. This model could also be country specific because most countries have a dominant religion and/or culture. Our model could also be region specific. For example, consumers in the Middle East region may choose not to purchase anything from the North American region for religious or cultural animosity while feeling it is perfectly appropriate to purchase from the Far Eastern region. This model also predicts that~~,~~ economic, religious and cultural animosities are related. Knowing the cultural or religious animosity level could be an indication of economic animosity as well. If Huntington's theory is correct, which we believe is, that the clash of civilization is likely to increase due to religious and cultural differences, this study provides the marketing community with an empirically tested measure of a more encompassing animosity. This will allow managers to make correct decisions regarding entry modes (Kalliny and

LeMaster 2005) and promotional and position decisions regarding their products and services. A marketing manager may want to position his product or service as more of a local product than foreign when the level of animosity is high.

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Figure 1
Conceptual Model

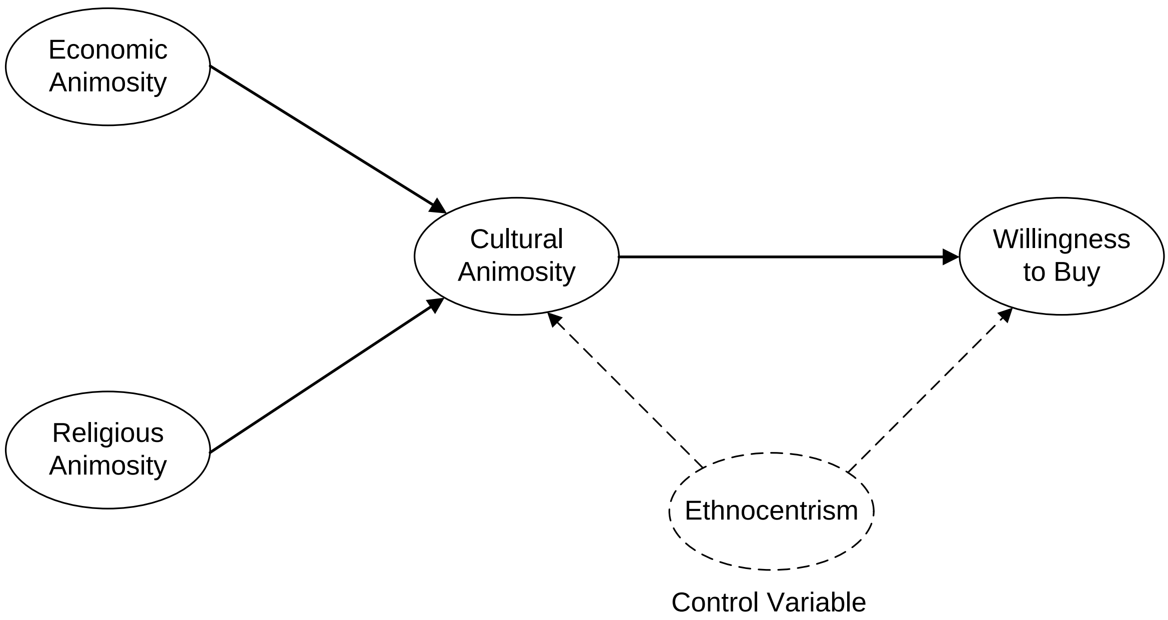

TABLE I
Descriptive Statistics and Correlations

Variable	Cultural Animosity	Religious Animosity	Economic Animosity	Willingness to Buy	Ethno-centrism
1. Cultural Animosity	1.00				
2. Religious Animosity	.63	1.00			
3. Economic Animosity	.67	.51	1.00		
4. Willingness to Buy	.80	.52	.57	1.00	
5. Ethnocentrism	-.59	-.43	-.55	-.62	1.00
Mean (M)	*2.05*	*3.27*	*2.89*	*2.27*	*2.51*
Standard Deviation (SD)	*.89*	*.65*	*.90*	*1.00*	*.81*
Composite Reliability (CR)	*.91*	*.81*	*.88*	*.93*	*.85*
Average Variance Extracted (AVE)	*.67*	*.53*	*.64*	*.76*	*.54*

Table II
Results of Structural Equations Analysis

Structural Model Statistics		**Model**	
		χ^2	430.9
		df	221
		CFI	.96
		TLI	.96
		RMSEA	.05
Path		**Path Estimate**	**t-value**
Economic Animosity → Cultural Animosity	H1	.37	6.14 [a]
Religious Animosity → Cultural Animosity	H2	.34	5.95 [a]
Cultural Animosity → Willingness to Buy	H3	.66	11.78 [a]

Note: n = 360, [a] $p < .001$ (two-tail tests)
Standardized path estimates shown.

Islamic Clothing: An Exploratory Analysis of Pakistani Consumers

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Abstract

Purpose – In a constantly changing and increasingly globalised world, religion still plays a significant role in influencing consumer behavior and the intent behind this study is to scrutinize the effect of religious and social norms on Muslim consumer's apparels purchase decision.
Design/methodology/approach – Survey comprised a sample of 500 Muslims consumers from the universities and shopping malls in Faisalabad city of Pakistan.
Findings – The findings indicate that religious Muslims in Faisalabad (Pakistan) area consider Islam as their source of reference and they prefer to wear clothing as commanded by Islamic Shariah. This study confirms that normative factors acts as an arbitrated feature in the apparel purchase decision of Muslim consumers.
Originality/value – The paper's interesting findings serve to remind entrepreneurs that they cannot neglect the element of religion in their marketing activities, particularly in promulgation of apparel fashion when operating in the vicinity of Islamic countries.

Keywords- Islam, Religion, Consumer behavior, culture, normative factors, purchase decision,
Paper type- novel study

Introduction:
Apparels convey information and hold a position in social systems (Goffman, 1959) as clothing is a universal tool of aesthetic self-management (Cash, 1990). Although apparels had been most variable category of consumer products (Kunz, 2005) and a social component as well (Jenkins, 1973), influenced by the amalgamation of fashion trends, seasonal changes and religious beliefs. Outfits preference display that how an individual would like to be. In ancient civilizations, clothing was primarily used to cover and protect human bodies. Today, most consumers see clothing as more than just a basic necessity. Research conducted in clothing behavior has shown that consumers differ in attitudes, values and expectations of clothing. People use clothing to identify themselves with a social class, project a positive image and as a means to improve their overall appearance (Marina Alexander, Lenda Jo Connell, Ann Beth Presley, 2005). Most Arab societies of the Middle East and North Africa, as well as Afghanistan, Bangladesh, Brunei, Indonesia, Iran, Pakistan, Senegal and Turkey, these countries fluctuate in an extent to which they follow the Islamic teachings, However, Iran, Pakistan and Saudi Arabia taking serious actions to turn to Islamic shariah in modeling their way of life (Metwally, 1997). Despite the growing global Muslim market and magnitude of studying cultural differences, slight information is available about the influence of Muslim society's culture on consumer behavior. To understand the influence of Muslim's culture, this study focused on Pakistani consumers to investigate their behavior towards apparel. According to Fishbein and Ajzen (1975), a person's attitudes, which influence behavior, are built from past experiences, current concerns, information, and social pressure. Consumer behavior research concerned with Culture and subculture. Religion is an important cultural factor to study because it is one of the most universal and influential social institutions that have significant influence on people's attitudes, values and behaviors at both the individual and societal levels (Mokhlis, 2009). Its effect on people's life is so great that it will even affect the consuming motives and choices (Chang, 2005).
This study is exploratory, seeking the elicitation of research questions from the literature, which, through their application within the empirical research, will assist in the identification of the significant issues for apparel selection, attitude towards Islamic clothing, and will allow for the creation of a suitable context within which further empirical study can evolve. Islamic teachings give an impact on what and how much to buy but mostly consumers make decisions on what and how much to consume, we anticipate that Islamic teachings can influence Muslim consumers more than any other dynamics such as gender, occupation, education, salary to name a few, can. I hope that this study will help me to see how much influence Islam has on this social component of a Muslim consumer's life. The rest of the paper is organized as follows. Following this section immediately is a review of the relevant literature. This is followed by a brief discussion of the methodology and data collection. Next is the discussion of the analysis and results which is followed by the conclusion and implications for Islamic marketing. This is followed by the future research and limitations.

Objective
As have been mentioned above, the growth of Islamic teachings among Pakistani Muslim consumers by taking serious actions to turn into Islamic shariah. This should have must given an impact on their buying decision of apparels. Therefore, the objectives of this research are:
1. To conduct an experimental research on the Muslims consumer apparel purchase decision.
2. To examine the influence of religious norms and social norms on the buying behavior.

Literature Review
Religion, culture and consumer behavior
Religion is a system of beliefs and practices that dictates individual reaction, providing the code that control and justifies believer social behavior (Foxall and Goldsmith, 1994); religion also fosters or frowns on particular choice behavior

(Hawkins, Coney and Best 1980; Schiffman, and Kanuk, 1991). In an empirical study of religiosity and consumer behavior among 602 mostly Protestant consumers, Wilkes et al. (1986) conclude that religiosity influences several aspects of consumer's lifestyle, which ultimately affect choices and/or choice behavior. This influence shaping individual's response towards material goods and services (Fam et al., 2004). Therefore, religion in general and Islam in particular, being the integral part of culture persuade market researchers, to explore its role in the consumption world (Bettina et al., 2005; De Run et al., 2010). To confirm the religious requirements of its customers it is important for organizations to investigate, understand and determine the role of religion in purchase decision. Because religion, being a fundamental part of culture, has considerable influence on people's values, habits, attitudes, and it greatly influence lifestyle, which in turn affects consumer decision behavior (Delener, 1990; Sheth, 1974). However, many authors (Warner and Joynt, 2002; De Mooij and Hofstede, 2002; Willer, 2006; Braunsberger and Buckler, 2009) have indicated that patterns of consumer behavior in the international markets vary due to its cultural differences and it is a myth of international marketing. Moreover, there are many consumption differences among different countries due to differences in rationality levels of consumers buying decisions. Delener (1990) and Essoo and Dibb (2004) have showed role of religion in consumer behavior studies and argued that consumers' behavior and purchasing decisions are greatly influenced by religiosity. Religious affiliation and religious commitment are two components of religiosity (Worthington et al., 2003). Hirschman (1983) showed that religious affiliations may be vision as "cognitive systems". A cognitive system is a collection of beliefs, values, expectations and behaviors that are shared by members of a group, which control and impact that group's behavior. Therefore, religious affiliations play an important role in forecasting of consumer behavior patterns (Solomon, 2007).

A person's adhere to his or her religious values, beliefs, and practices, and uses them in daily living is designated to Religious commitment (Worthington et al., 2003). Consumers' behavior and their purchasing decision can be categorized according to the level to which consumers adhere to a particular faith; therefore, religiosity term indicates the degree to which people are committed to a particular religious group, the most significant cultural forces and a major influence in buyer behavior (Delener, 1990; Essoo and Dibb, 2004; King and Crowther, 2004). In effect, religion influences what consumers belief, what they like, and what they dislike (Rehman and Shabbir, 2010). Therefore, it is argued that religiousness or religiosity, is an important value in the individual's cognitive structure, and can influence an individual's behavior toward buying products (Lau, 2010).

Concept of dressing in Islam

Islam has two sources for guidance and rulings: the Qur'an which is the revealed word of Allah, and the Hadith of the Prophet Muhammad, who serves as a human role model and guide. The Qur'an talks about clothing as something to cover nakedness and serve as a beautification that will be dazzling the beauty of God's creation. Allah says in The Quran "O you Children of Adam! We have bestowed libasan (clothing or raiment) on you to cover your nakedness and as a thing of beauty. But the raiment of righteousness (taqwa), that is the best. Such are the signs of God, that they may receive admonition" (7:26). "O Children of Adam! Wear your beautiful apparel (zeenah) at every time and place of prayer: eat and drink: but waste not by excess, for God loves not the wasters" (7:31).

Islam has no fixed standard as to the style and type of dress that Muslims must wear. However, some minimum necessities must be congregate like how much body must be covered, slackness, thickness, overall manifestation, not imitating others and decent not flashy. In a broad-spectrum the principles of modesty call for a woman to cover her entire body predominantly her upper body. The Qur'an calls for women to "draw their coverings over their upper body," and the Prophet Muhammad instructed believing women to cover their whole bodies except for their face and hands. The least amount to be covered for men is between the navel and the knee. Clothing must be loose enough so as not to outline or distinguish the shape of the body. A body-hugging, skin-tight dress is not allowed, for both men and women. Some women in public as a convenient way to hide their curvature wear a cloak (abaya) over their personal clothing. Mostly in Muslim countries, men's traditional dress is somewhat like a loose robe, covering from the neck to the ankles. The Prophet Muhammad once warned that in later generations, there would be people who are dressed yet naked. See-through clothing is not including in modest dressing for men or women. The clothing must be thick enough so that the color of the skin and shape of body underneath is not visible. The overall appearance should be dignified and modest. Shiny, flashy clothing may technically meet the above necessities, but overwhelm the purpose of overall modesty. Muslims should look like Muslims, and not like mere imitations of people of other faiths around them. Women should be proud of their femininity and not dress like men. And men should be proud of their masculinity and not try to imitate women in their dress. For this reason, Muslim men are forbidden from wearing gold or silk, as these are considered feminine accessories. The Qur'an describes that clothing is meant to cover our private areas, and be an adornment (Qur'an 7:26). Clothing worn by Muslims should be clean, decent and moderate, neither extremely fancy nor ragged. A person should not dress up with an intention to gain the admiration or sympathy of others.

Theoretical frame work and Hypothesis

Normative Factors and consumer behavior

The normative factors of clothing refers to the social norms and religious norms of consumers, which according to Korsgaard (1996) are supplied by the social identity of individuals, the normative codes that result from social roles and social contexts. The normative constitutions link the individual to a certain faction that shares similar morals, traditions, values and cultural patterns, which in the case of this study are represented through clothing as family pressure societal pressure and peer pressure. According to Ganassali et al. (2006), the social psychology concepts argued that individual or group such as social perceptions, social influence, social rewards, peer pressure, social cues, social sanctions, etc. has greater influence on individuals' buying behavior. Engel et al. (1968) argued that consumer behavior takes place within the context of groups and other individuals' presence which influences consumer's processing of information and decision making. In addition to this, buying behavior is checked up as a part of cultural ideology that is enthusiast by social factors (Baig, Saeed, 2012). Religious norms were divided into three subcategories, intensity to follow the religion, awareness of Islamic clothing and an extent to which the religion influence the purchase decision of clothing.

Insert Figure 1 here

In this framework, the normative dimensions are independent variable and Muslim consumer buying behavior towards Islamic clothing is the dependent variable. Based on the review of existing literature, research objectives and the model (Figure 1), following hypotheses were developed:
H1: Muslim consumer behavior towards Islamic Clothing is positively related to normative factors
H2: Muslim consumer behavior towards Islamic Clothing is negatively related to normative factors

Research Methodology

Research Context
Pakistan is a South Asian country and is 339,697 square miles in area, and considered to be the second most populated Muslim country after Indonesia (Huda, 2010). It was created from what had been the northwest side of India. All of the country except the southern portion is landlocked, with Afghanistan to the northwest, Jammu and Kashmir to the northeast, India to the east and southeast, and Iran to the west. Culture of Pakistan which is fusion of south Asian & central Asian cultures and many cultural practices have been inherited from Mughals. Pakistani culture is actually a branch of the contemporary Islamic civilization which depicts its value and traditions from shariah and prosperous Islamic history. Majority population of Pakistan encompass of Muslims and follows teachings of Islam, i-e., belief in one Allah, Prophethood of Hazrat Muhammad P.B.U.H, brotherhood, equality and social justice etc. The national dress of Pakistan is Shalwar Qameez for both men and women. It consists of a long, loose fitting tunic with very baggy trousers. The dress is believed to be amalgamating of the dresses worn by the early Persians, Afghans and Turks, that have left their notion on culture of Pakistan. The men's version consists of solid, masculine colors and is always escort by collar and buttons. Men frequently wear an external waistcoat over the Shalwar Qameez. The women's version almost is often embroidered and consists of feminine colors and may feature lace or flower patterns. In the summer, a light, cotton version is often worn, while during the winter, a heavier, wool version is worn. Most male government officials wear the formal black sherwani on state occasions as it is the suggested dress for them, and not distinctively associated with any of the provinces.

Data Collection Procedures and Sample
The present study is haggard from secondary sources of the literature, initiated to investigate and explore how Pakistani consumers construct their social identities through the meanings they ascribe to their clothing. To achieve the study objectives, the author eventually decided to use the assortment of qualitative and quantitative approach for primary data collection, which gives the possibility for Pakistani consumers to express their thoughts and experiences widely and more thoroughly. The data for the survey were collected through a self-administered questionnaire. The survey instrument included two parts designed to achieve the objectives of the study. The first section of the questionnaire dealt with the general demographic information. The second section focused on normative factors; religious norms, social norms, and consumer behavior towards Islamic clothing. Responses to all the items were made on a 5-point scale (1 – strongly agree, 2 – agree, 3 – neutral, 4 – disagree and 5 – strongly disagree). The sample was defined as non-probabilistic by convenience. The final sample was 500 respondents and overall sample included students of two big universities (Agricultural University and G.C University) and shoppers from different shopping malls in the region of Faisalabad. The student sample included both undergraduate and postgraduate students from Pakistan. Shopping malls were selected as they provided, representative shopping environment with behaviors. The respondents were requested to contribute in the research by either filling in the questionnaire or answering the questions. Excel package was used to apply the proportionate technique, frequency tables were plotted to get it fit to be useful and have a check of assess proportion in different parameters to get mandatory harvest. Using Excel package different socio demographic factors have been analyzed.
The Statistical Package for the Social Sciences (SPSS) Version 17 was employed to conduct statistical analyses. Correlation technique was used to measure the significance level between dependant and independent variable.

Results and analysis
Table I; Respondent's profile

	Number of respondent	**%**
Age		

Less than 25	302	60.4
Between 25 to 35	152	30.4
Above 35	46	9.2
Total number of respondents	**500**	**100**
Marital status		
Single	323	64.6
Married	177	35.4
Total number of respondents	**500**	**100**
Working status		
Student	252	50.4
Unemployed	10	2.0
Employed	238	47.6
Total number of respondents	**500**	**100**
Gender		
Male	203	40.6
Female	297	59.4
Total number of respondents	**500**	**100**

Scrutiny endow with an insight of demographical characteristics of sample. In first section of questionnaire, interviewees were asked about their general demographic information. Table I showed the age classification of respondents. 60.40% respondents were found below 25, 30.40% were below 35 and above 25, 9.2% were above 35 category. Preferences vary through age differences. Marketers should focus all age groups and particularly design accordingly. It was culminated out that 63.04% respondents were single and remaining 34.78% were married. Major portion of respondents were students that was 50.4% while minimum portion was unemployed that was 2.0 and employed persons were 47.6%. As compared with men, women are more oriented toward shopping, spend, more time and energy in searching available options, compile information from various sources in order to make a purchase decision (Beaudry, 1999; Falk and Campbell, 1997; Hansen and Jensen, 2009). In this study out of 500 respondents, 59.4% females and 40.6% male respondents were involved. In Islam, both men and women have to dress modestly, modest dressing not only subjected to women's clothing, but a prerequisite for men as well (Omair, 2009).

Table II; Findings from questionnaire

Testimonials	1%	2%	3%	4%	5%
Religious Norms					
Pursuing religion	39.80	41.60	15.20	3.20	0.20
Awareness	51.80	39.80	6.60	1.40	0.40
Influence of religion	34.00	39.60	18.00	6.40	2.00
Social Norms					
Societal pressure. Family pressure, peer pressure	9.80	18.40	16.40	32.20	23.20
Behavior towards Islamic clothing					
Market screening	23.00	37.40	24.40	12.80	2.40
Advertisements	15.60	43.80	18.60	16.00	6.00
Alteration into Islamic	18.00	40.20	16.20	14.80	10.80
Preferences	42.60	29.40	21.40	6.20	0.40
Comfort	59.20	34.00	3.40	1.80	1.60
Elegant look	70.80	24.00	3.00	2.00	0.20

- A certain behavior expected from a Muslim who is practicing religion because he/she has knowledge of Islam, high sense of its realization, and a strong confession of its truth with tongue and assent of it by heart, is believed to have good practice of the Islamic teachings. It is considered as a part of righteousness rather than a dependent measure. Respondents asked about their level of degree to follow the religious guidelines in daily matters 81.40% respondents strictly follow the religion. 91.6% respondents were aware of Islamic teaching about clothing. In terms of clothing, it is important to be perceived as a Muslim as it is an expression of religion.
- The majority of the women responded that they were proud to wear the Islamic clothing, as 55.40 % respondents said that they were no pressure just to wear Islamic clothing and it was their own choice and there was not anybody or

anything forcing them to dress in a certain way. This is in stark contrast to the ideas in the western media, which sees women's dress in Muslim countries as cruel and highlight that there is an urgent need to "free" Muslim women from their garments.

- 59.40 % respondents said advertisements effects their purchase decision regardless Islamic or non Islamic and 22% respondents deny this statement. Alam, Mohd and Hasham (2011) reported that advertisements have long-term and short-term effects on youngsters that influence their materialistic values and attitudes. In global trend fashion as expressed in the media advertisements by celebrities is a very important attribute used by young consumers when assessing a product (Herbst and Burger, 2002). And branded fashion goods can fulfill emblematic functions (Hogg et al., 1998). But an interesting thing is that when the respondents asked about if they like a non Islamic dress because of advertisement. What they will do? 58.2% respondents said they alter it according to Islamic dress. Although, they want to look become fashionable and demand stylish clothing without compromising on their modesty.
- 94.80% respondents express their feelings after wearing the Islamic dressing. Muslim men and women dress up in a way that seems elegant, beautifully designed, fashionable and attractive at the same time but without compromising on their religious values. Respondents that wear Islamic clothing said that we are known by our traditions, culture and religion as well. It's simply who we are. Our traditional outfit may does not suit today's modern look and appearance. I am very proud of it and it suits me the best.

Table III; Pearson Correlation analysis

	Normative factors	Muslim consumer behavior
Normative factors	1.00	
Muslim consumer behavior	0.993**	1.00

Note: Significant at P<0.01

The result of testing hypothesis was shown in Table III. Normative factors highly significantly correlated with Muslim consumers' buying behavior (0.993**, p, 001); hence H1 was supported and H2 was rejected.

Conclusion and implication

The study stressed that there is a strong relationship between; normative dimension (religious and social norms) and consumer purchasing decision particularly for Islamic clothing in Pakistan. Fashion Clothing choices are not done by consumers but it is the deeply rooted religious societal and cultural norms that dictate the apt clothing. Designers from across the world have responded and designed Islamic clothes those are stylish, have a western look and yet conform to the Islamic tradition and customs.

As a conclusion of this study, the findings support the fact that consumer behavior is becoming influenced by religion as an important element of the culture in the modern world. This influence has shaped a new behavior model of Muslim consumers for entrepreneurs from countries where Muslims are in majority, those who are intended in penetrating the Muslim countries with their businesses should consider the element of religion in the development of products and in marketing activities as Islamic marketing is an emerging industry. The research also provides new insights into the relative emphasis of the various factors which influence consumer purchasing behavior such as consumption, advertisements, promotions and alternatives that influence purchasing behavior in present days.

Future research and Limitations

Future research can investigate the consumer behavior towards different consumer product categories such as food industry, beverages, salon industry, pharmaceutical, and IT industry etc.

Dressing culture of Pakistan is very close to Islamic concept of dressing. For future point of view same study will be done in the Muslim minority country whose culture is far away from Islamic constitutions, and identify the relationship of consumer behavior with religious norms and social norms separately to check that either religious norm have greater influence or social norms.

The small sample size of 500 individuals might not be enough for behavioral research. Results are limited to Pakistan. It cannot be generalized to the entire Muslim world.

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The Status Of Muslim Personal Law In Non-Muslim Countries A Study Of India

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Abstract
Muslims who reside in Non Muslim countries suffer a great amount of difficulty in relation to the implementation of Islamic law and also in issues pertaining marriage divorce, custody, maintenance and in some cases also in the distribution of their estates and inheritance of Islamic Law (Islam and Fatwa). The status of the personal laws of minority communities including Muslims and the plurality of religious laws in general is much debated in India. For historical reasons the personal laws of the religious minorities like Muslims in India, were not touched but the Constitution of India prescribed in the Directive principles of the State Policy that in due course the Indian Government would move towards a Uniform CIVIL CODE. Being the Third largest Muslim population in the world 166,097,980 (Ash 2012) the problem of reforms in Muslim Personal Law in India has assumed a highly controversial nature. This paper aims to present the status of Muslims Personal Law in India based on the Uniform Civil Code, codification of Muslim personal law and problems that Muslims of India Face today.

Key words:
Fatwa, Figh, Ijma, Ijtihad, Istihasan, Qiyas, Masaleh al-mursala, Sharia, Urf and ada, Hadith

Introduction

For some time past the question of drastic amendments in the Muslim Personal Law has been debated in the Indian Parliament, some of the State Legislatures and the Press. The main provocation has been provided by the alleged intention of the powers that be to illegalize polygamous marriages. The constitutional provision in the form of Article 44, enjoining upon the State to strive towards a uniform civil code throughout the territory of India has provided further impetus to the controversy. The protagonists of change, as also a section of "modernist" Muslim elite have sought to strengthen their case by citing the example of some Muslin countries which have allegedly abolished some of the Shariah laws or have introduced drastic changes in these laws. The Muslim masses have always reacted sharply to these suggestions and all the Ulema, irrespective of their sectional persuasions, have stoutly rejected such proposals as being against Islam.

It goes without saying that the question of Personal Laws is one of the most important problems that the Muslims of India face today. On its solution depends, to a great extent the nature and extent of their Islamic life in India.

There is an urgent need of serious thinking, study, debate and presentation of considered views on the subject before the elite in the India.

Objectives of the study

1. To study the Legal History of Muslim Personal Law in India.
2. To study the Constitutional status of Muslim Personal Law in India.
3. To study the desirability and scope of changes in Muslim Personal Law in India.
4. To study the status of Muslim Personal Law and Uniform Civil Code in India.
5. To study the Notable features of Muslim Personal Law application in India.

What is Personal Law

"Personal Law" shall mean the law that governs a person's family matters usually regardless of where the person goes. In consumer law system, personal law refers to the law of the person's domicile. In civil law system, it refers to the law of the individual's nationality and so it is sometimes called *lex patriae* (Black)

"Almost every country in the modern world has not only its own system of municipal law differing materially from those of its neighbours, but also its own system of conflict of laws, while within the territorial limits of a country in the national sense a variety of legal system may operate. Such a situation commonly arises in one of two ways: either the country consists of States or Provinces each with its own law, as for example, the USA, Canada and the USSR, or in a single country, different systems of law may govern different classes of nationals of the country, e.g., Mohammedans and Hindus in India. In the former case, the law is said to be territorial, applying to all persons normally resident in the State. If the State forms part of a federation, judicial and legislative powers will usually be divided between the two political areas of constituent State and federal nation. The division of authority will be based on constitutional provisions.

In the latter case, in which within a single territorial unit, different system of law governs different classes of citizens in respect of the same matters such as marriage, divorce, succession. The law (within a limited field) is personal, applying only to persons of a definite class, such persons being governed in many respects by their personal religious law. The

personal religious law of oriental countries transcends national or territorial legal frontiers, for; it is based on the identity of law and religion in certain fields, most notably in family law and succession" (Graveson, R.H.,)
What do we exactly mean when we use the word 'Muslim Personal Law'? Do we refer to the complete Shariah based on the Holy Quran, Sunnah, Ijima and the Ijtehad of leaders of Islamic jurisprudence or instead to that particular code which has been named 'Muslim Personal Law' in Clause 2 of the Indian Shariat Act 1937?
After the initiation of British domination and political power in India the Islamic Law, in its limited sense, together with the associated Kiza (Judicial) system was kept intact. Later, however, even these limited matters were transferred to the jurisdictions of ordinary courts but the Shariat Law was allowed to continue to govern the matters relating to the Muslims.
It was specifically stated in Section 2 of Indian Shariat Act 1937 that: "Notwithstanding any customs or usage to the contrary, in all questions (save questions relating to agricultural land) regarding intestate succession, special property of females, including personal property inherited or obtained under contract of gift of or nay other provision of Personal Law, marriage, dissolution of marriage, including Talaq ila, Zihar, lina, Khula and mubarat, maintenance, dower, guardianship, gifts, trusts, and trust properties, and wakfs (other than charities and charitable institution and religious endowments) the rule of decision in cases where the parties are Muslims shall be the Muslim Personal Law / Shariat" (Acharya).
At the same time it was clarified that although Muslim Personal Law, in its general meaning, refers to what has been briefly outlined in the Quran, and explained in Hadith or to the sets of decisions arrived at through Ijma or Qiyas by the four schools of Islamic jurisprudence, or for Shias those taken by the holy Imams, but this wide sense has not been adopted in India. Instead Muslim Personal Law has been limited to inheritance, marriage, (Divorce, ila, zihar, faskh) maintenance, dower, and regulation of WAKF (Pious Muslim endowment) only.
The list given in the Appendix 7 to the Government of India Act 1935 enumerating the items covered by Muslim Personal Law includes the problem of Adulthood and Minority as well. Article 225 of the present Indian Constitution has sanctioned that all such laws as are in force prior to its enforcement shall continue to be inforce till such time as the Provincial Legislatures, or Parliaments, in exercise of their authority, do not partly or wholly set them aside. As a consequence to this provision both the Government of India Act 1935 and Indian Shariat Act 1937 are still applicable to the Muslims in India.

Legal History of Muslim Personal Law in India

The Indian legal system is based in part on the English common law system. With respect to Muslim Personal Law as applied in India, the sources of law are Hanafi *fiqh* (Jurisprudence) along with some resort to other schools, legislation, precedent, certain juridical texts (both classical and modern) that are considered authoritative, and custom (Baxi)
During the British Raj, the colonial courts were directed to apply "indigenous legal norms" in matters relating to family law and religion, with "native law officers" advising the courts on the determination of those norms. A number of Hanafi sources (notably al-Hidaya and the Fatawa Alamgiri) were translated into English. The advisory positions of legal experts on Hindu and Muslim law were abolished in 1864. Legal commentators on the development of the indigenous system of "Anglo-Muhammadan" law (Now more commonly referred to as Indo-Muslim law) attach varying degrees of significance to the subsequently authoritative position of these works (and the quality of the translations), the absence of judicial expertise in Muslim law, the introduction of the residual formula of "justice and right" or justice, equity and good conscience' to imply mainly English law, and to the position taken on customary law. (Anderson)
In India during the Muslim regime, justice was administered by the *Kazis* who would obviously apply the Muslim scriptural law to Muslims, but there was no similar assurance so far litigations concerning Hindus were concerned.Muslim criminal law was thus applied to Hindus as well. (Rankin)
This system, more or less, continued during the time of the East India Company, until in 1722, after the grant of Diwani (Financial grant by British rulers under colonial India), Warren Hastings made a regulation for the administration of civil justice for the native population, without discrimination between the Hindus and Mohamedans. This Regulation, it is to be noted, was confined to 'civil justice', for ever since the beginning the British rulers asserted that so far as criminal justice was concerned, personal law would have no concern, and the parties, irrespective of their religious profession, were to be governed by the same law as prescribed by the Sovereign. That law, in short, was the English common law (which gradually superseded Muslim Law since 1832) which the colonists imported from their motherland, supplemented or substituted by legislation. That remains the position till to-day, in the sphere of criminal law and its administrations. (Mullah)
As regards the civil law to be applicable to the Hindus and Muslims, the Regulation of 1772, followed by another Regulation of 1781, prescribed that either community was to be governed by its 'personal' laws, in matters relating to inheritance, marriage, religious usage and institutions. Muslim criminal law was thus applied to Hindus as well (Rankin). This is the sphere which is indicated by the expression 'personal law'. In other matters, personal law might be imported by the courts only in so far as (i) it was consonant with 'justice, equity and good conscience' (according to English notions) and (ii) it was not abrogated by legislation or other command of the Sovereign. This broad policy continued throughout the British regime until Independence and was expressly declared in constitutional enactments, such as the Government of India Acts, the Civil Courts Acts, and the like.

Constitutional status of Islamic law (Muslim Personal Law) in India.

The Indian Constitution was adopted on 26th November 1949 and has been amended many times. The preamble of the Constitution affirms that India is a "sovereign socialist secular democratic republic". India's secularity is framed in terms of neither favouring nor officially adopting any particular religion, and Article 26 guarantees the freedom to manage religious affairs (subject to constraints imposed by the requirements of public order, morality and health) for every recognized religious denomination or sect. The Article 44 of the Constitution contains the Directive Provision stating that Indian legislators shall aim to establish a uniform civil code throughout India. For the time-being, religious communities continue to be governed by their own personal laws (apart from Muslims, this applies to Christians, Zoroastrians, Jews and Hindus, as well as Buddhists and Sikhs who, for legal purposes, are classified as Hindus), although the option of civil marriage exists, it is not often the only regime under which Indians marry. The difficulty of reconciling the secularity of the Republic and the objective of establishing legal uniformity with the protection of minority rights (also enshrined in the Constitution) has meant that, almost sixty two years since the adoption of the Constitution, the goal of the directive principle in Article 44 is still far from being realised.

Muslim Personal Law and Article 44

As has been pointed out earlier, notwithstanding the Directive in Art.44 of the Constitution that "the State shall endeavour to secure for the citizens a uniform civil code throughout the territory of India", successive Indian Governments at the Centre(mostly belonging to the Congress Party) have failed to do anything in this behalf since 1950, because of the opposition from the Sunni community-the most vociferous amongst the Muslims-on the ground that the personal law or Shariat, founded on the Koran is immutable and is, accordingly, protected by the guaranteed freedom under Art. 25 (1) and could not, therefore, be overridden be the Directive Principle in Part IV. **Art.25 (1)** Subject to public order, morality and health and to the other provisions of this Part, all persons are equally entitled to freedom of conscience and the right freely to profess, practice and propagate religion.

Scope of changes in Muslims Personal Law in India

Muslims everywhere else have, ever since, been governed by a dual system of law. Their public life is being regulated by the laws imported from western legal systems while their personal laws are derived from traditional Islamic legal doctrine. They have, however, chosen different schools of Islamic jurisprudence which vary on certain legal points. In India there is a desire that the Mohammadan law should be codified as it has been done in Egypt, Turkey, Iran and Palestine etc. In theory this is easy and to the reformer this would be a chance for breaking off with the past, but the task is not very easy. This can only be done by appropriate and permissive legislation; which can only bring Hindu and Muslim under one uniform law.

The problem of reform in Muslim Personal Law in India has assumed a highly controversial nature. The opponents of reform regard the Sharia law as absolutely immutable, while its advocates reject their theory. The latter feel that since the Sharia law had been amended by the Muslim jurists themselves during the first few centuries following the emergence of Islam and many of its principles have been reformed, in the recent past, in several Muslim countries, there should be no objection to its reformation in India as well. The present paper is addressed to a study of this contention in some detail.

The first part of the above contention in concerned with the juristic activities of the Caliphs and Imams in the early days of Islam. Pages of Islamic history reveal that changes were frequently introduced in the Sharia law by the ancient jurists themselves.

The tool employed, for the purpose of reforms in Muslim Law, by the interpreters of law was the exercise of reason validity of which had been decreed by the PROPHET (Peace by Upon Him) himself. The exercise of reason assumed, in the hands of the jurists, the form of various sources of legislation. Some of these were:

(i) Qiyas (analogy)
(ii) Istihsan (Equity)
(iii) Urf and ada (custom and usage), and
(iv) Masaleh al-mursala (public interest)

Muslim law, thus, underwent a long process of evolution. The fabric of law was woven and rewoven with the spindle of juristic interpretation or administration.

As a result of such juristic activity, several schools of law, based on the same sources but having conflicting doctrines in the matter of details, established their authority in several parts of the Muslim world. In the later phases of Islamic history, the principles of one or the other school of law were accepted in to by the various Islamic people.

The second and the more important part of the contention, under review, of the advocates of changes in Muslim Personal Law in India relates to the reformation of Islamic law, in the recent past, in some Middle Eastern countries. The United Arab Republic, Sudan, Lebanon, Jordan, Syria, Tunisia, Morocco, Algeria, Iran and Iraq have reformed several Principles of Islamic law as applicable in these countries.

Sharia, the code of Islamic law, is generally regarded as immutable. The fundamental principles of the Sharia are not open to reconsideration by man. In the legal theory of Islam, Allah is the only law-giver and there exists no other basis of the legal fabric than the divine will. While accepting this theory of immutability it should be clearly understood that what is immutable is actually the ground norm of the Sharia and not any of its varied interpretations.

At least seven schools of Islamic law are presently prevailing in various parts of the world. These are the Hanafi, Shafei, Maliki, Hanbali, Ithna'Ashari, Ismaili and Zaidi. Each of them has its own system of law. Many principles of law some of them quite significant differ from school to school. For example, while a divorce pronounced during intoxication is binding

under the Hanafi law, the same has no effect according to some other schools. Similarly, in the matters of polygamy, divorce, dissolution of marriage by court, etc. the schools of Islamic law differ from one another.
According to general practice, an individual should adhere to any one of the schools in to and cannot be allowed the freedom to make his own choice of legal rules from the various schools. Nevertheless, all the schools have equal legal validity and sanctity. None of them enjoys any superiority over others, and jurists, legislators and judges may, in suitable cases, apply the principles of a school of Islamic law others than that which may be locally prevalent.

All India Muslim Personal Law Board (AIMPLB)
The All India Muslim Personal Law Board (AIMPLB) is an organization constituted in 1973 to adopt suitable strategies for the protection and continued applicability of Muslim Personal Law in India, most importantly, The Muslim Personal Law (Shariat) Application Act of 1937, providing for the application of the Islamic Law Code of Shariat to Muslims in India in personal affairs. The Board presents itself as the leading body of Muslim opinion in India.A role for which it has been criticized as well as supported (GANI).

The Main objectives of all India Muslim Personal Law Board (AMIPLB)
To adopt suitable strategies for protection and continued applicability of Muslim Personal Law i.e. Shariat Application Act in India.
To constitute a permanent standing committee comprising Ulema and legal experts to study laws, rules, regulations and circulars issued by the central and state governments and other governmental and semi governmental agencies or the Bills introduced in the Parliament and state legislation from the point of view of their impact on the Muslim Personal Law.

About the Board
AIMPLB a is private body working to protect Muslim Personal Laws, liaise with and influence the government and guide the general public about crucial issues. The board has a working committee of 41 ulema representing various schools of thought. In addition to this, it also has a general body of 201 persons of ulema as well as laymen, including about 25 women.
Within the Board, Shias were a minority, as are the Barelvi Sunnis, with the Deobandi Sunnis dominating the Board.
The Board suffered splits when Shias and Muslim Feminists seceded to form their own separate Boards, the All India Shia Personal Law Board and the All India Muslim Personal Law Board. (Parvinabdi)

Causes and actions of all India Muslim Personal Law Board (ATMPLB)
The AIMPLB focuses primarily to defend that Sharia laws from any law or legislation that they consider infringes on it. In this role initially it has objected to any change in the Divorce Laws for Muslim women. (TNN July 18, 2007) In this regard it has even published a book-Nikah-O-Talaq (Marriage and Divorce). However, from time to time it has been hinted by the board that it might reconsider its position (TNN Oct 25, 2006). It has also objected to gay rights (Jyoti Thottam)
The Board has also objected to the Right of Children on Free and Compulsory Education Act, 2009 as they believe it will infringe on the Madrasa System of Education. (TNN Feb 5, 2012). It has also supported child marriage and opposes the Child Marriage Restraint Act (Haviland). It has also objected to the Supreme Court of India Judgment of Demolition of Babri Mosque. (Zee News Bureau 5, Sep 2002). For this, it is also willing to threaten political action. The Board was in the headlines recently for its opposition to the live video conference of author Salman Rushdie to the Jaipur Literature Festival in January, 2012. (CNN-IBN Jan 24, 2012)

ROLE OF ALL INDIA MUSLIM WOMEN'S PERSONAL LAW BOARD (AIMWPLB)
ATMWPLB (Wikipedia) is an organisation constituted in 2005 to adopt strategies for the protection and continued applicability of Muslim Personal Law in India with a particular focus on women's issues, including marriage, divorce and other legal rights.
"Although almost all Muslim Divorce cases in non-Muslim states, the females were the ones to reject Islamic injuctions and fight for custody of the children as well as claim maintenance for their own persons, after an Islamic Divorce, for periods in which Islamic rules negate their right to maintenance, the application of the Muslim Personal Law will allow Muslim males to gain their custody rights which seem to have been eroded over the centuries. They will not be then obligated to pay maintenance to their ex-female spouses for their children in conformity to the custody rights and periods specified by secular non-Islamic legal systems which, generally, extend to the age of 21. Rather, the males would gain custody when their sons reach the age of seven or when the daughters reach the age of nine. Islamic jurists of the various Islamic legal schools differ on the age periods in relation to custody and on other aspects of maintenance, but specifying the marital contract to be concluded by the rules of a specific mazhab (Islamic Legal School) or legal code will define and limit the diversity of legal interpretation within Islamic Law" (Islam and Fatwa).

Codification of Muslim Personal Law in India
"All sections of Islamic society are of the view that Islamic law in India should be codified within the frame work of the Quran and other religious injunction" (AKBAR ALI)
According to Justice GM AKBAR Ali, Judge, High Court of Madras India "Islamic law is not a static law but a fluid law. Muslims should have progressive thinking while considering codification of Islamic law. Islamic law has already been

codified in countries like Pakistan, Bangladesh, Srilanka and philiphines.” (Codification of Islamic law seminar organized by the Muslim law academy central zone Trichy- India)

“Changes in Islamic law have been made right from the PROPHET’S time and should be continued. Equality and justice were two fundamental tenents of Islam and that women have been given equal right in Quran which treats with dignity. The Muslim community should put an end to the misuse of Islamic law and codify them” (Engineer)

“The need for codification in the light of changed social and economic circumstances. The Sharia law maintains that marriageable age of Muslim girls is when they attain puberty, the law of the land India has fixed the marriageable age of GIRLS at 18. While a Muslim can be given in marriage as soon as she attains puberty, the government authorities are bound to enforce the common law of land. This has led to the confusion among Muslims. Such contradictions have made progressive Muslims rethink changes in age of marriage and codification of sharia law to bring uniformity (Nilamuddin).

UNIFORM CIVIL CODE AND MUSLIM PERSONAL LAW IN INDIA

What is Civil Code?

The word ‘civil’ is used in various senses. In the present context, it refers to what is known by the expression civil law, which means the law (substantive as well as procedural) relating to the private rights of citizens in relation to each other and is to be distinguished from public law, such as, International Law or Revenue Law and even Criminal Law, where one of the parties is the State. Civil law would relate to various aspects of personal relations, such as, contracts, property, marriage and inheritance and the like, and this was the meaning of the expression ‘civil code’ as given by one of the authors of the Constitution of India, Shri Alladi Krishna Ayyar in the Constituent Assembly (Acharya)

As per Article 44 of the constitution of India “The State shall endeavour to secure for the citizens a uniform civil code throughout the territory of India” (Acharya)

The Object behind the Article 44 is to effect an integration of India by bringing all communities on the common platform on matters which are at present governed by personal laws. The Supreme Court of India has regretted that Article 44 has so long remained a dead letter and recommended early legislation to implement it (Gani)

For Historical reasons, the personal laws of the religious minorities were not touched but the Constitution prescribed in the Directive Principles of state policy that in due course the government would move towards a Uniform Civil Code. The leadership in the post independence period further hoped that people would in time transcend their religious affiliation and come to view themselves as citizens of India. The creation of an autonomous public sphere, where people would act as citizens unencumbered by the political and moral weight of their community affiliations was to be the key to modern India (Chandhoke). This was, however, not to be because of different historical and political reasons. **Muslims of India could never reach to such an ideal situation.**

Another significant myth about appeasement of Muslims concerns the demand of the rightist forces for a Uniform Civil Code in India which they allege is not being enforced for feat of annoying Muslims.The issue dates back to 1985 when a Supreme Court judgment in Shah Bono case strengthened the rights of divorced Muslim women to maintenance from their former husbands and opened up a debate on the position of Muslim women. The verdict also questioned the system which allows for separate civil laws for various religious communities and argued for a Uniform Civil Code. Muslims all over the country took to the streets against the interference in their personal laws. The Government in keeping with the popular Muslim mood introduced a new law, MUSLIM WOMEN (Protection & Rights or Divorce) Act 1986 which restored the special family laws for Muslims. The communal Hindu nationalists were very critical of the Government and accused it of Muslim appeasement. They have since then created an impression that the whole country, but for the Muslims, is in favour of a Uniform Civil Code. (Danish)

However, the results of the National Election Survey 2004, conducted by the Centre for Study of Developing Societies, New Delhi, tell a different story. The survey revealed that a majority of respondent across castes and religion support the position that every community should have separate personal laws. 56 per cent people said that there should be a legal ban on inter-religious marriages and 53 per cent approved of a ban on inter-caste marriages (Danish). But the communal Hindu Sangh Parivar, as also the media, continues to give the impression that only Muslims are opposed to Uniform Civil Code in India.

Muslim, arguments against Uniform Civil Code in India (Article 44)

1. The most radical argument is that Article 44 should be repealed and effaced from the Constitution because it (a) is opposed to the Shariat, (b) It stands in the way of maintaining Muslim identity.
2. It is next contended that even though a Common Code was desirable, it could not be brought about until the Muslim themselves came forward to adopt it From which provision of the Constitution have the Union Law Ministers repeatedly declared in Parliament [23-12-1989; 11-12-1993] that a common Civil Code would not be introduced until the Muslims came forward to have it (Acharya).
3. It is urged that the Shariat or Muslims Personal Law is immutable being founded on the Koran which is ordained by God.
4. Even if a common Civil code is formulated, it should be optional for the Muslims to adopt its provisions.

Notable features of Muslim Personal Law in India

Legal System

The legal system is based in part of English Common law. Sources of Muslim Personal law as applied in India are Hanafi figh along with resort to other schools, registration, precedent, certain juridical texts (both classical and modern) that are considered authoritative, and custom.

School (s) of Fiqh
Hanafi majority, sizeable Shafi'i, Ja'fari and Isma'ili minorities; other than Muslims, like Sikh, Jain, Buddhist, Zoroastrian, Christian and Jewish minorities

Court System
Muslim personal law is applied by regular court system. Four levels of courts: civil courts, district courts in administrative subdivisions of each state, State High Courts in each of the 18 states and the Supreme Court. Courts of first instance in personal status cases are Family Courts, organised under Family Courts Act 1984. These Courts have same jurisdiction as any district or subordinate Civil court, thus also have some criminal jurisdiction with relation to maintenance on divorce orders.

Relevant Legislations
1. Bihar & West Bengal Registration of Muhammedan Marriages Acts 1876
2. Guardians and Wards Act 1890
3. Child Marriage Restraint Act 1929
4. Muslin Personal Law (Shari 'at) Application Act 1937
5. Dissolution of Muslim Marriages Act 1939
6. Special Marriage Act 1954
7. Family Courts Act 1984
8. Muslim Women (Protection of Rights on Divorce) Act 1986

Marriage Age:
21 for males and 18 for females; penal sanctions for contracting under-age marriages, though such unions remain valid.

Marriage Registration & Nikkahnama
Registration is voluntary; other evidence may be supplied in order to prove the existence of an unregistered marriage. “Since marriage is a contract in Islamic Law and as such is customarily evidenced by a written agreement duly signed and witnessed, Nikkahnama (marriage contract) may contain conditions specific to the particulars of marriage. In general the Nickkahnama contains the name and parentage of the bride and the groom and specifies the amount of dower (mihr) payable to the wife and whether this payment is to be immediate or defered; in which the system followed in India since Mugal period (Shireen)

Judicial Divorce:
Grounds on which women may seek divorce include: desertion for four years, failure to maintain for two years, husband's imprisonment for seven years, husband's failure to perform marital obligations for three years, husband's continued impotence from the time of the marriage, husband's insanity for two years or his serious illness, wife's exercise of her option of puberty if she was contracted into marriage by any guardian before age of 15 and repudiates the marriage before the age of 18 (as long as the marriage was not consummated), husband's cruelty (including physical or other mistreatment, unequal treatment of co-wives), and any other ground recognised as valid for the dissolution of marriage under Muslim law

Post-Divorce Maintenance/Financial Arrangements:
Came under sections 125-128 of Criminal Procedure Code which provides that dependants (including divorcees) unable to support themselves are entitled to maintenance; after 1986 Muslim Women (Protection of Rights on Divorce) Act, Muslims do not necessarily come under the ambit of the Criminal Procedure Code (unless they choose to be governed by it), rather, under new Act, obligation of Muslim husband to provide his former wife with "reasonable and fair provision and maintenance to be made and paid to her within the *‘idda* waiting period by her former husband" is affirmed; in *Muhammad Ahmad Khan v. Shah Bano* (AIR 1985 SC 945). The Supreme Court of India held there is no conflict between classical Hanafi requirement of maintaining divorced wife during 'idda period, and obligation of maintaining former wife unable to support herself so long as she remains a divorcee (status terminated by remarriage or death); ruling met with much agitation by certain Muslim groups like All India Muslim Personal Law Board for that a memorandum handed over to the Prime Minister of India in September 1985 (Noorani) arguing that it constituted undue interference in Islamic personal status laws; led to passage of Muslim Women (Protection of Rights on Divorce Act)1986.

Child Custody:
The General rule is that divorcee is entitled to custody of children until age of 7 for males (classical Hanafi position) and puberty for females, subject to classical conditions, though there is some flexibility as ward's best interests are considered paramount under terms of Guardians and Wards Act 1980.

Succession:
Governed by classical Muslim Personal Law although customary law may predominate under certain circumstances

Marriage Registration
The Registration of Muhammedan Marriages and Divorces Act 1876 is still in operation in Bihar and West Bengal States of India. Other -states of India also have similar Acts, and there are facilities for voluntary registration.However, registration is not a requirement in India. The option of registering a marriage under the Special Marriage Act 1954 (under which all inter-religious marriages must be registered) also exists, in which case a different set of secular marriage and divorce laws would apply; it does not, however, appear to be very common to do so in practice. Registration may prove useful if recourse is had to the courts, but because it is not compulsory, other evidence may be used to prove the existence of an unregistered marriage. Upon signature to the CEDAW (Convention on the Elimination of All Forms of Discrimination against Women) India submitted a declaration affirming the government's commitment to the principle of obligatory registration of marriage, but stating that, for the present, the diversity and size of India's population make strict adherence to this principle impractical.

POLYGAMY
With regard to polygamy, the Criminal Procedure Code establishes that a woman who refuses to live with her husband on just grounds will still be entitled to maintenance and those just grounds, as defined in the Code, include the contracting of a polygamous marriage by the husband, even if the personal law applicable to the parties permits polygamy. This proviso only actually applies to Muslims as polygamy has been abolished for all other communities. In *ltwari v. Asghari* (AIR 1960 All 684), a suit for the restitution of conjugal rights by a Muslim husband against his first wife, the Allahabad High Court stated that the onus was on the husband to prove that his second marriage did not constitute any insult or cruelty to the first wife. Although the Muslim husband has the right to contract a polygamous marriage, the Court held that it does not necessarily follow that the first wife should be forced to live with him under threat of severe penalties after the husband has taken a second wife. Even in the absence of proof of cruelty, the Court would not pass a decree for restitution of conjugal rights if it appeared that it would be unjust and inequitable to compel her to return to her husband under the circumstances of the case.
In India, under the general Law of Land contracting of a bigamous marriage either spouse of a subsisting marriage has been made of criminal offence since 1860, punishable under criminal code, which is exempted to Muslim males due to Shariah. But as regards Government Servants, bigamous marriage has been laid down as a disqualification for appointment or continuance in service by Service Rules, not withstanding that such subsequent marriage is permissible under the Personal Law and the validity of the such Service Rules has been upheld in the Judgment, *Ram Prasad V State of Uttar Pradesh* (AIR 1957 ALL 408 Para 6). Such Rules do not exempt Muslim Government Servants as such. It should be pointed out however, that some of the recent Rules provide for the sanctioning of a bigamous marriage in the case of particular Government Servants with previous “permission of the Government” as per Rule 18 of the All India Services (conduct) Rules 1954 (Dalwai)

International Conventions and Reports to Treaty Governing Bodies acceded by India
ICCPR (International Covenant on Civil and Political Rights)
ICESCR (International Covenant on Economic, Social and Cultural Rights)
CEDAW (Convention on the Elimination of all forms of Discrimination against Women
CRC (Convention of the Rights of Child)
India acceded to the ICESCR and the ICCPR in 1979 with a number of declarations, including one to the effect that 'the right of self-determination' mentioned in common Article 1 is interpreted by India as applying only to peoples under foreign domination and not to sovereign independent states or a section of a people or nation
India became a signatory to the CEDAW in 1980 and ratified it in 1993. India submitted a declaration regarding Articles 5(a) and, 16(1) that reiterates India's commitment to abiding by the provisions "in conformity with its policy of non-interference in the personal affairs of any Community without its initiative and consent." India also registered a declaration regarding Article 16(2) on minimum marriage ages and compulsory registration; although India fully supports the principle, "it is not practical in a vast country like India with its variety of customs, religions and level of literacy". (Islam and Fatwa)
India acceded to the CRC in 1992, with a declaration regarding the progressive implementation of Article 32 thereof on child labour, particularly with reference to paragraph 2(a) on the provision of a minimum employment age.

Practical Difficulties Facing the Muslims of India in the Legal System of Muslim Personal Law
Often Muslims in India have to resort to a dual legal identity to pursue their conduct of affairs - one Islamic, another secular legal system in the country. They may have married in terms of secular law and divorced in terms of Islamic Law and continues with this status for either for some legal advantage to any one of the spouses or because of some other obstacle that could be a valid problem. Some are legally married and legally divorced in terms of the secular law but have reconciled and subsequently only married in terms of Islamic law. In another cases a Muslim male is legally married in terms of the secular law of a Non-Muslim state like India to the first spouse but not to his second spouse since the State prohibits bigamy and polygamy for Govt. employees. There are also instances where a Muslim male person is only married on an Islamic basis first wife but marries the second wife on a secular legal basis for the purposes of citizenship, some other advantage or valid problem within the marriage structure.

Perhaps the easiest route in all of this is the Muslim male's ability to marry a maximum of four wives without any one of the marriages to be recorded in the civil marriage register. **Fortunately, in regard to the legal controversies, the reality at ground level is the fact that a second marriage is often a rare event in most Muslim communities in the non-Arab world, like India.**
Muslim clerics often suffer to resolve marital conflicts and fail to enforce financial duties of the males towards their Islamic spouses or Islamically divorced ex-spouses since the marriage is neither recorded in a manner that is recognized by Government of India and its States.
Also in divorce cases, female spouses often use Non-Islamic secular rulings of the state to gain financial advantages which Islam does not consider to be their right. Often, Muslim females will deny and reject Islamic rules pertaining to the custody of the children and use the secular court to ensure a legal right to custody although such a right is conferred to her for a limited amount of years. Muslim males then suffer to have their Islamic rights of custody. The social problems and legal battles that emanate from these ugly scenes have indeed cost our Muslim society in India a great loss of financial resources as well as pain within its inner harmony.

Conclusion

"By examining provisions made by the Qur'an and Hadith where no provision has been made by the sacred text, the Muslim simply makes new laws by considering whether the new law will be for common good of the people. Through this method, it must be possible to find adequate answers to all questions whether they concern constitutional, personal status, civil or penal matters. Hence, it is advantageous for Non-Muslims to study the Islamic law" (Mustafa).
"The tragedy is that Islamic law receives so little attention from few Non-Muslim scholars. Many non-Muslim scholars have very little knowledge of it, they regard it as too alien to the problems of modern society. In any event, according to these Non-Muslim scholars, Islam has nothing to offer the modern man. Yet Islamic law offers, particularly to Anglo - Saxon lawyers, a study in dramatic contrast, a striking future relative to Anglo - Saxon and not likeness but inconsistencies, not similarities but contrariness in respect of a source, its sanction (Ajijola).
But where there is no provision in the Qur'an and tradition, the Judge may rely on his own private judgement. This is known as the principle of Ijtihad (general process of endeavor to comprehend the divine law). The law has thus been developed on the principle of equity and good conscience with due regard to the state of society and circumstances of the people (Muhamed). The principle of Ijtihad has been the avenue for the development of the Islamic law and this can always be applied to develop the Shari'ah to suit the requirement of the modern time.
Seldom in the historical past, have individuals and collectivities everywhere been so profoundly concerned with the quest for justice. **The world today is going through profound changes and the ideas themselves change with time. There are some Muslims who have seen the Western world in yellow light and some of these Muslims with their Western allies would like to inspire Muslims like in India to secularize their law and the administration of justice.** The Muslim must reject this approach rather the Muslim s should inquire systematically into the writings of the leading scholars both classical and modern, combine their findings with the doctrine of common good; formulate a reformed conception of justice not merely theological, political, philosophical, ethical but also social and legal justice consistent with the development of conception of justice from the rise of modern Islam to the present day within the broader, context of the Islamic public order .
Today is the age of science and the civilization of science. Anyone desirous of leading an honourable life cannot escape the use of modern science. The quicker the Ulamahs and Muslims enter the age the better. The basic problems of India today in the field of science and technology are associated with a search for greater productivity and a higher standard of living for its populace. This is why Muslims in India lay emphasis on scientific education with a bias towards Islamic studies. Of the many contributions which Islam has made to the culture and civilization of mankind, the most outstanding one is that of law and the legal institution it has sanctioned.
This research paper is not only intended to explain the basic conception of Islamic law but also to make Muslim ulamahs in India, see the necessity of interpreting. The Shariah in the light of modern knowledge and incorporating in with modern technology and science which will be conducive to make happiness, creating a happier existence for Muslims in the secular India.

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The Willingness to Boycott among Malaysian Muslims

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Abstract
This paper examines the motivations and willingness to boycott of Malaysian Muslim consumers. Based on an on-going boycott incited by the Palestinian/Israel conflict in the Middle East; the boycott movement targets American originated firms operating in Malaysia. Two firms were selected based on their market presence, consumer familiarity and product affordability. In total, 577 questionnaires were distributed to Muslim university students and the results were validated by multiple regression analysis. Four factors were found to be significant in predicting willingness to boycott; which were self-enhancement, perceived egregious behavior, make a difference, and country image. This paper addressed boycott motivations from the context of Malaysian Muslims quantitatively, based on an international issue strongly related to Muslims. The results may have some implications on multinational firms, non-government organizations, policymakers as well the consumers.

Keywords : Boycott, Malaysia, Muslims, Religiosity, Country image.

Introduction
Consumer boycott is a form of economic as well as social threat that may threaten the brand image (Klein, Smith & John, 2004) and corporate image of a firm (Lindenmeier, Tscheulin & Drevs, 2012) on a smaller scale. But on a larger scale, consumer boycotts if not carefully dealt with, may affect the host country's economy and its image. As such, the threats and occurrences of boycott can possibly upset the efforts in attracting and retaining investments in a country. Consequently, it is suffice to state that boycott is a situation where marketers, businesses, organizations or firms would want to avoid at all cost (Klein et al, 2004).
The phenomenon of consumer boycotts has been in existence in the marketplace menacing businesses and organizations since more than a century ago (Smith & Li, 2010). Yet, the rightful and deserved attention in understanding consumer boycotts were acknowledged by academicians and researchers only within the last past decade.
Based on previous empirical researches, there are various psychological (Klein et al, 2004; Smith & Li, 2004) and social motivations underlying a boycott; as the nature of boycott is diverse (Friedman, 1985); nonetheless, boycotts are often used widely as a "coercive marketplace tactic" (John & Klein, 2003) to achieve certain instrumental or expressive goals (Friedman, 1985).
Friedman (1985, pg.97) has defined boycott as "an attempt by one or more parties to achieve certain objectives by urging individual consumers to refrain from making selected purchases in the marketplace". This fundamental definition has been frequently quoted, referred and used as a basis by numerous boycott studies (Smith & Li, 2010; Farah & Newman, 2009; Knudsen, Aggarwal & Maamoun, 2008; Klein et al, 2004; and Sen, Gurhan-Canli & Morwitz, 2001). Adding further, John & Klein (2003, pg. 1198) described that a boycott occurs "when a number of people abstain from purchase of a product, at the same time, as a result of the same egregious act or behavior, but not necessarily for the same reasons".
Refining the boycott definition as written in *The Dictionary of American History,* Friedman (1985) argued and unveiled that the scope of boycott does not limit to "unfair employment and trade practices" but goes beyond as both items if stood alone "fail to encompass the wealth of activities revealed in the survey findings" (pg. 115).

Boycotting of American (and other western) products in Malaysia
Boycotts are happening not only in the western world, but also increasingly prevalent in the Asian region including Malaysia. Malaysia, predominantly populated by Muslims is a multi-ethnic, multi-cultural and multi-religion country located in the South East Asia. The proportion of religion in Malaysia is approximately 61.3% Muslims, 19.8% Buddhists, 9.2% Christians and 6.3% Hinduism (Census Department Malaysia, 2011).
At the height of the second Palestine Intifada in 2008, a boycott was established based on the alleged direct and indirect involvement or support extended by American and western firms to Israel in their atrocities against Palestine. The on-going boycott campaign was supported by an alliance of more than 50 Malaysian Non-Government Organizations (NGO) formerly known as 'Coalition of Malaysian NGOs against the Persecution of Palestinians', or in short

COMPLETE. Now the coalition is known as Viva Palestina Malaysia (VPM), strongly advocates and promotes the boycott in tandem to their ultimate mission – ending the Palestine/Israel conflict to achieve freedom and independence of Palestine.

Among the globally known firms and brands that were targeted in the boycott include McDonald's, KFC, Coca-Cola, Pepsi, and L'oreal (http://www.vivapalestina-my.org/boycott-israel-info). Through the media, McDonald's Malaysia responded by distancing themselves from the controversial issue. The firm also stressed that by supporting the boycott, the local economy can be affected as the businesses were localized with Malaysian interests (BBC, 2009/01/09). In their attempt to counter balance and damage control, the firm also highlighted their involvement in charities and fair employment in Malaysia (Sen, 2009). Similar strategies were also adopted by Coca Cola Malaysia and KFC Malaysia.

This research seek to provide explanation and insights for the following questions: What drives Malaysian Muslims to consider boycotting? Will the psychological factors identified by Klein et al (2004) be applicable in Malaysia and to Muslims? What are the effects on consumers' perception of products associated with a country having direct or indirect relationship to international controversial/egregious acts? What is the perceived image of an offending country and will that have any impact on the consumers' willingness to boycott? Does religiosity have any effect on consumers' consideration and willingness to participate in a boycott?

The key purpose of this study is to examine the effects and applicability of the psychological factors as predicted by Klein et al (2004), in the context of influencing Malaysian Muslims' willingness to boycott. In a modified boycott model, the researchers also attempt to examine the relationships and effects of additional variables; which are country image and religiosity in predicting willingness to boycott.

Boycott participation and the underlying theories

To date the number of literatures concerning boycott has gradually increased. The boycott literatures so far has covered the following different areas of research and can be grouped as : 1) the nature and scope of boycott, 2) the antecedents and consequences of boycott, and 3) the strategies to overcome boycotts.

The previous studies were done from either the perspective of the boycott targets (Abosag, 2010; Garrett, 2001; Gelb, 1995; Friedman, 1985; Chavis & Leslie, 2009), or from the consumer perspectives (Klein et al, 2004; Ettenson & Klein, 2005; Braunsberger & Buckler, 2011; Friedman, 2001).

Among other consumer perspective studies, Kozinets & Handelman (1998) found that consumer boycott decision were influenced by a person's need in emotionally expressing (Friedman, 1991) their individuality and used as a vehicle moving toward self-realization. Sen et al. (2001) suggested that three (3) factors underlying the boycott participation decision; the boycott's perceived success, social pressure and costs associated by boycott participation.

Similarly, John & Klein (2003) also looked at boycott as a collective problem and highlighted the probability of free-rider occurrence especially when there are impressions that the boycott participation is perceived to be high. Another problem highlighted was the small agency stigma, where consumers' incentives to participate in a boycott could be restricted, based on the assumption that their insignificant effort of small non-purchase will have only trivial impact to the targeted firm.

The helping behavior conceptualized in consumer participations in boycotts can be related to a subset of a major social psychology study of pro-social behavior. Pro-social behavior encompasses many different aspects of behaviors; which "includes helping, comforting, sharing and cooperation behavior" (Klein et al, 2004, pg 93; Batson, 1998). Fundamentally, pro-social behaviors are actions "intended to benefit one or more people other than oneself often accompanied by costs" (Twenge, Ciarocco, Baumeister & Bartels, 2007; Batson 1998, c.f. Klein et al, 2004, pg 93).

Over many years, helping studies are further explored and extended to many different contexts and aspects which covered emergency and non-emergency helping, voting, charity (Chambre, 1987, c.f. Klein et al, 2004, pg 93; Piliavin & Charng, 1990), and corporate philanthropy (Piliavian & Charng, 1990). Helping can also be extended to individuals or group of individuals voluntarily (Knickerbocker, 2003).

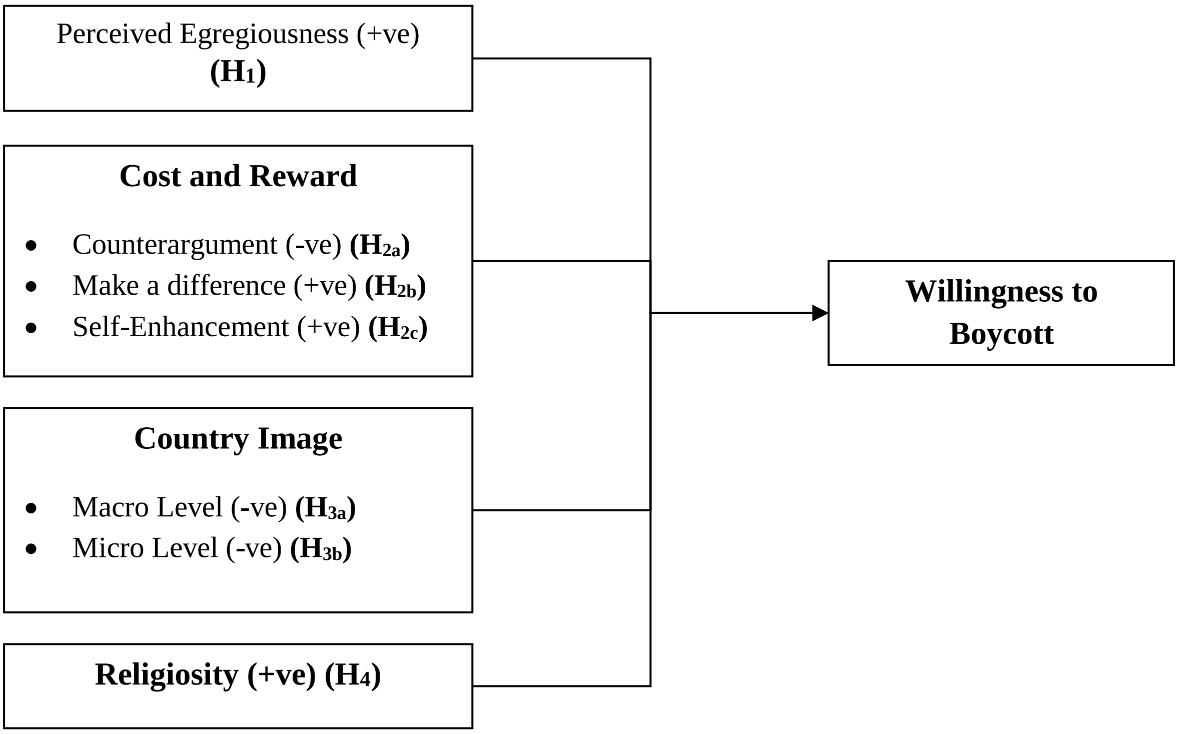
On a smaller individual scale, customer complaining behavior could also be related to boycotting. Although it is neither a pro-social behavior nor collective action, but as a result from complaining, the customer may decide to shun any future product offerings from the firm in the future (Boote, 1998; Hirschmann, 1970, c.f. Klein et al, 2004). This is very similar to boycott as it also requires a trigger event (egregious act) to evoke dissatisfied customer to start a complaint after considering the costs and benefits of associated with lodging a complaint (Singh & Wilkes, 1991).

To relate with boycott studies, the helping behavior can be viewed as the underlying platform of boycott participations; as the essence of boycott participation is ultimately to achieve a result of a greater good for the society (by helping each other) which can be shared collectively. Outweighing the associated costs with helping, social psychologists suggested that humans have great desire to belong to a group, hence facilitate group work, akin to consumers answering to boycott calls.

Refining the helping research, Dovidio et al (1991) introduced the arousal: cost-reward model which described that a person will intervene to help another person depending on the seriousness of the situation. The potential helper will experience arousal after the interpretation of the situation is made, followed by the assessment of the costs and benefits associated with helping the person in distress. The potential helper is likely to help if the benefits outweigh the costs associated with helping. The higher the net benefits are, the higher possibility that helping will occur. However, the helping intervention may differ among individuals, societies, cultures, and races.

Applying the arousal model to boycott situation, the egregious acts which is seen as a trigger event will arouse consumers negatively. As consumers seek solutions to ease the negative arousal; assessment and evaluation of the benefits and costs of boycott will be processed (Piliavian, Dovidio, Gaertner & Clark, 1981 c.f. Klein et al, 2004). Boycott targets are often being targeted for many reasons; accurate or not; some reasons are way beyond the control and influence of the targets themselves (Garrett, 2001). Perhaps, consumers often do not understand the macro perspective or the big picture, and will assume anything – thus demanding a certain course of action to be taken by the firms to resolve the alleged controversial issue. Otherwise the consequences against these firms - will be boycott. Figure 1 provides the overview of the willingness to boycott model.

Figure 1: The willingness to boycott model



Perceived Egregious Behavior

Perceived egregious behavior is fundamentally important in boycott literature and is observed to be the main driver if not one of many strong factors that predict boycott participation (Klein et al, 2004). Perceived egregious behavior describes the misconduct of a firm or an organization that will result to a negative, and possibly harmful consequences to the wellbeing of many parties, directly or indirectly. It may also be viewed as an injustice done or wrongdoings by firm or organization towards the boycotters, the surrounding third parties or to the environment (Braunsberger & Buckler, 2011). Similarly, firms engaging businesses unethically could also trigger boycott (Lindenmeier, Tschevlin & Drevs, 2012).

Friedman (1985) explained that boycotts can also be in a form of surrogate, where boycotters will decide to boycott the next best entity associated, whether accurate or not, when direct or clear relationship could not be established with the accused. In this case, Klein, Ettenson & Morris (1998) examined a surrogate boycott where a policy of a country has lead to a total boycott towards other products originating from the country. Extending that, a firm's egregious behavior may also trigger a blanket and surrogate boycott based on country-of-origin including other products originating from the same country. Likewise, boycotts can also be exercised on the retailers, wholesalers or related agents of products made by the accused or offending firm (John & Klein, 2003; Tyrant & Engelmann, 2005).

Egregious acts can be rectified and neutralized by the accused by way of changing their behavior, policies, abiding to demands, or disassociate themselves with the egregious acts (Yuksel & Mryteza, 2008; Abosag, 2010; Knudsen, et al, 2008) . However, it is questionable whether consumers will resume normal consumption once the controversial issue is rectified if it involves severe damages, sufferings or even death.

As the interpretation and extent of perceived egregious behavior may differ across cultures and consumers demographics, some consumers may view a firm's misconduct as very offensive and detrimental; but somehow were not motivated enough to participate in a boycott against the entity (Klein et al, 2004). Hence the following hypothesis is proposed:

*H_1 : **Perceived egregiousness** positively predicts willingness to boycott. Consumers who find the firms' actions to be egregious, are more likely to participate in the boycott.*

Benefits and Costs

There are many other benefits and costs associated with boycott have yet to be tested empirically. This study will be based on several previously identified and empirically tested factors utilizing the pro-social helping behavior as the

foundation. When boycott acts viewed as helping others to achieve objectives; it is akin to helping behavior in participation of voting, blood donation drives, charities, volunteering and helping others in need or distress (Klein et al, 2004).
Amongst many other items which may be applicable under benefits and costs construct, we shall be investigating the items identified by Klein et al (2004); counterarguments, make a difference, and self-enhancement as explained below.

Counterargument
Arousal costs and benefits model (Piliavian et al, 1981, c.f Klein et al, 2004), also known as the extended theory of bystander intervention of pro-social theory, suggested that as the costs associated with extending help to a person increase, the chances of extending help might decreases. Applying the model to the boycott context; consumers considering participating in a boycott will assess any negative outcomes of helping which includes embarrassment, and unintended harm caused by extending their help. For example, a consumer might not boycott a firm, although s/he thinks that the firm's action is egregious, because s/he fears as a result of her boycotting, the employees of the firm might lose their jobs.
Latane & Darley (1968) in their research found that the response of a person towards an emergency which requires help will decrease when it is known that there are others present in the situation as well; hence "diffusing the responsibility among other onlookers" to help.
Relating "diffusion of responsibility" to free riding behavior, a consumer might not participate in a boycott, deeming it unnecessary, when it is known that there are others boycotting on his/her behalf (John & Klein, 2003). This behavior is especially apparent when the costs associated with boycotting are high. The costs and benefits model also explains the costs of not helping (guilt, shame, shun) will be reduced as others are available to extend their help instead.
A 'pluralistic ignorance' phenomenon (Latane & Darley, 1968) describes when a group of people look at each other to determine how they should react, but may misinterpret the emergency situation collectively. This second component of bystander apathy effect (Latane & Darley, 1968) can be applied into the boycott context, for example; a consumer may look at another persons' reaction towards the firm's egregious acts before determining how s/he should react. This can be connected to how peer groups, families, public figures (Garrett, 1987) or social pressure (Sen et al, 2001; Klein, John & Smith, 2001) have influence on the reaction of a person in boycott context.
Additionally, consumers may have the fear of being seen overreacting towards a perceived egregious act of a firm. This is consistent with the third component of bystander apathy effect (Latane & Darley, 1968) describing 'Audience Inhibition' (Darley & Latane, 1968); where a person will not want to risk standing out in public for fear of overreacting and being embarrassed in front of others,.
Another counterargument which may put consumers in a dilemma is their belief and feeling of helplessness to intervene effectively in a critical situation. Consumers may perceive that their 'contribution' by participating in a boycott to be too insignificant to make any difference or towards making an impact on the decisions made by the firm (John & Klein, 2003). Similar to pro-social behavior of voting (Shaw, Newholm & Dickinson, 2006); where a large number of individuals go to polls in hope to achieve a collective benefit. But, an individual might decide not to vote at all, as s/he perceives that his/her single vote is not able to change the outcome of the election. This is quite the opposite of the 'make a difference' construct described in the next section. A study done by Koku, Akhigbe & Springer (1997) found that boycott campaign actually benefited the target firm in terms of increase of share prices and sales, contradicting the conventional wisdom of boycott where it will create damages to targets. Thus, it is proposed:
*H_{2a} : **Counterarguments** negatively predicts willingness to boycott. The more consumers engage in counterarguments, the less likely that the consumers will participate in the boycott.*

Make a Difference
Contradicting to the previous item, the arousal benefits and costs model can be applied from a positive point of view. For example, when a firm's action is perceived to be egregious, a consumer can be motivated to participate in a boycott as the consumer's need to create a positive change in the society is being aroused. Participation in the boycott will occur when there are no or less costs than benefits associated with boycott participation.
While the perceived benefits or motivations for the consumers to participate in a boycott can be either instrumental or expressive in nature (Friedman, 1985; Kozinets & Handelman, 1998), each consumer participating in a boycott believes and view themselves as competent and strong, thus providing enough confidence that the results of their boycott participation can produce positive outcomes and that the collective goals can be achieved. This is consistent with 'perceived efficacy' as explained by Sen, et al (2001).
According to the research by Wiener & Doescher (1991), when confronted with social dilemmas, people will tend to work together the best they could and be as cooperative as possible to achieve their collective goals. This supports the idea that a single consumer will respond to boycott calls believing that his individual participation is important to the boycott effort and cooperate with other consumers acting collectively towards achieving the boycott goals.
Similarly, John & Klein (2003) discussed that consumers participate in a boycott could also be motivated by the 'exaggerated effectiveness' of the boycott movement itself. This contradicts and is the total opposite of the counterargument item.
However, there are conflicting findings on the impact of boycotts on target firms. Though boycotters were quick to declare boycott successes (Friedman, 1991) and claiming all efforts done were worthwhile, the true impact on the targeted firms are still questionable as it is very difficult to assess (Klein & John, 2003). Contradicting previous studies

that suggested boycotts will cause negative effect on the targets, one study found that the effect of boycott have caused a positive impact on the target's financial standing (Koku et al, 1997). Based on the above, it is proposed that:
*H_{2b} : **Make a difference** positively predicts willingness to boycott. The more consumers believe that boycotting can make differences, appropriate and effective, the more likely that the consumers will participate in the boycott.*

Self-enhancement
Several helping behavior theories agreed that both the helper and the receiver of help will gain benefits in the long run. Looking from the boycott context, other than instrumental rewards gained from participating in a boycott (Friedman, 1985; John & Klein 2003), there are also intrinsic benefits consumers may potentially gain in several forms.
Among many other intrinsic benefits that could be gained by boycott participants is self-enhancement. Self-enhancement describes the type of motivation that function to make individuals feel good about themselves, simultaneously to maintain their self-esteem. By associating themselves with a boycott cause, the consumers involved may view themselves as morally-concerned or engaged, therefore boosting their image socially. When viewed and admired by the public for being morally concerned or engaged, these consumers will feel good about themselves; thus increasing their self-esteem despite the unknown boycott result.
While Sedikides, Gaertner & Toguchi (2003) maintained that self-enhancement is universal human motive and self-enhance in domains which are important in their identified cultures, Heine (2005) argued that self-enhancement is a phenomenon largely limited to western cultures. However, there are researches that found self-enhancement to be not entirely nonexistent in eastern collective cultures (Falbo, Poston, Triscari & Zhang, 1997; Fahr, Dobbins & Cheng, 1991). Kozinets & Handelman (1998) observed that by participating in a boycott allows a person under moral obligation to better themselves by "cleansing" themselves and to stay away or refrain from offending products in order to have "clean hands" (Klein et al, 2001) or in other words; clear conscience.
Yet, there are also costs involved to consumers when help is not extended. Research findings have shown that the consequences identified by not helping includes; self-blame, public censure (Dovidio et al, 1991) and guilt.
As boycott functions collectively, social pressures can have a significant strength to influence consumers' decision to boycott (Friedman, 1985; Garrett, 1987; Witkowski, 1989). Pressures can be pressed on consumers by associating the sense of guilt (Witkowski, 1989) with the cause of the boycott. This could be more pertinent in eastern cultures as importance on collectivistic values are emphasized and outweighs individualistic values. Based on the arguments, it is expected that:
*H_{2c} : **Self-enhancement** positively predicts willingness to boycott. The greater the perceived scope for self-enhancement (and avoidance of guilt or social censure), the more likely consumers will boycott.*

Estimated Participation of Others
The social dilemma research by Wiener & Doesher (1994) suggested that an increase in estimation of participation will likely lead to an increase of the actual participation. Similarly, the same approach can be applied to a boycott situation as suggested by John & Klein (2003) and Sen et al (2001), that an individual's boycott participation decision can also be influenced by the individual's perceived estimated overall participation of the boycott itself.
However, when an individual perceived a boycott to be participated by many, this situation could also trigger the 'free-riding' issue (John & Klein 2003), where a consumer can act selfishly and continue to consume at the costs of other boycotting consumers.

Country Image
Country-of-origin (COO) is well researched and has been established since 1965 by Schooler, a pioneer that identified the very existence of COO. Now, COO has completely evolved and relates to many other research areas. One of such area developed from COO is Country image.
Country image can be conceptualized at both the country (macro) level and the product (micro) level (Pappu, Quester & Cooksey, 2007). Martin & Elorgu (1993, pg 193) defined macro country image as "the total of all descriptive, inferential and informational beliefs one has about a particular country", and proposed three underlying dimensions which are economics, political and technological.
Nagashima (1970, pg. 68) defined country image as "the total of beliefs one has about the products of a given country", conceptualizing country image at a smaller scope; the product level. While there are 'specific' country image measured for different product category (Han & Terpstra, 1988), a 'general' approach to measure micro country image will be taken instead.
Han (1989) stated whenever consumers are unfamiliar with a product; the image of the country associated with product may be served as a halo, which consumers will infer to the product attributes. From their inferential beliefs, consumers' attitude towards a brand may be negatively related. In contrast, when a consumer becomes increasingly familiar with a country's product, the image of the country may be used to summarize the consumer's belief about the product attributes, directly affecting brand attitudes.
However, the question of getting the right country to be associated with a product could rather be a difficult task for consumers (Balabanis & Diamantopoulos, 2008; Samiee, Shimp & Sharma, 2005), even for well-known brands. Magnuson, Westjohn & Zdravkovic (2011) found that regardless of whether the country associated with brands by consumers are accurate, perceived brand origin will strongly affects brand attitude. Looking from the boycott context, this could be a potential problem, as consumers unfamiliar with a product, its product category and/or origin, can make inaccurate country association.

As an example, at the height of French nuclear testing in South Pacific by the French in 1996, even locally-owned businesses which were perceived by consumers to be French-related were boycotted, regardless of whether the relationship is direct or indirect or non-existence (Ettenson & Klein, 2005).
Consistent with Klein et al (2004), Dawar & Pillutla (2000) and Smith & Cooper-Martin (1997), the perception of image can be negatively affected by egregious acts. Concurrently, this negative image can be extended to the firms' products or services by the consumers.
It is also expected that when consumers participate in a boycott towards a particular brand or firm, there will have direct negative impact to the brand itself without even considering any sort of egregious acts committed by the firm.
This is consistent with cognitive dissonance theory where people behave irrationally or destructively, have the motivational drive to reduce their dissonance by changing their attitudes, beliefs and actions. In a state of dissonance, people can undergo contradicting feelings, for example feeling sorry, anger and embarrassment all at one time.
Similarly, a counterintuitive theory of self-perception suggests that a person will develop his/her own attitude by observing their behaviors and decide what attitude might have caused those behaviors (Bem, 1967, c.f. Klein et al, 2004, pg. 99).
Putting both theories into the boycott context, may explain the reason why some consumers participate in a boycott simply because they have participated in many other boycotts previously. Even without egregious acts, some consumers will participate in a boycott. Thus both hypotheses below are proposed:
H_{3a} ***: Macro Country Image*** *(Country Level) negatively predicts willingness to boycott. The greater consumers negatively perceived the macro country image of a particular country, the more consumers are likely to boycott.*
H_{3b} : ***Micro Country Image*** *(Product Level) negatively predicts willingness to boycott. The greater consumers negatively perceived the micro image of a particular country, the more consumers are likely to boycott.*

Islamic Religiosity
Religion has an important part in our daily lives. It has major roles in determining the "knowledge, belief, value and the social normative systems" of cultures and societies (Swimberghe, Flurry & Parker, 2011, pg. 453). Religion contains values that may influence individual's action and decision as it shapes behavior (Kotler, 2000).
Multiple religions with differing beliefs exist in a multicultural society. This is reflected on the differing consumption patterns between different religions due to the commitment towards specific religious groups (Lindridge, 2005).
Recently, Malaysian Muslims have showed positive concerns toward Islamic teachings and practices (Syed, Rohani & Badrul, 2011). As a religion, Islam provides wholesome guidance to its devotees in every aspect of life, including but not limited to acts of worship, interaction, trade, and consumption (Syed et al, 2011). Adherence to Islamic practices however differs depending on the degree of observation (Mokhlis, 2009).
The concept of *Halal* (permissible) and *Haram* (prohibited) is fundamental in Islam, whereby failure to abide is considered sinful. This concept is applied to all aspect in Islam including commerce and consumption. It is considered sinful to consume products that are not compliant as according to the Islamic *Shariah* law. Muslims must ensure that the products intended for consumption does not involve any *Haram* ingredients; does not exploit anyone or the environment; as well as not for harmful uses (Rehman, Shabbir & Gill, 2010).
Numerous studies have been done to measure religiosity (Faulkner & de Jong, 1966; Wilkes, Burnett & Howell, 1986; Worthington et al, 2003). However, most studies done were based on western countries. To accurately measure Islamic religiosity, a measurement index was further developed by Rehman et al (2010) based on the five dimension of religiosity originally developed by Glock & Stark (1965) [c.f Faulkner & de Jong, 1966]. The dimensions identified were ideological, intellectual, ritualistic, experiential, and consequential.
Generally, consumer religion has a significant role in determining the attitudes and beliefs towards dubious and problematic consumer practices (Vitell et al, 2005, 2006; Vitell et al, 2007). Combining this with the concept of *Halal* and *Haram*, religious Muslims are expected to be doubtful or even ought to reject products and services from firms which practice and/or behave unethically, as it contains the elements of *Haram*. Thus, the following hypothesis is proposed:
H_4 : ***Religiosity*** *positively predicts willingness to boycott. The greater consumers perceived themselves as religious, the more likely they are to boycott.*

Methods
This study is the first quantitatively consumer-focused study of an on-going boycott in South East Asian context focusing on Muslim consumers. Our study was based on an actual ongoing boycott similar to several previous boycott studies (Klein et al, 2004; Ettenson & Klein, 2005; Hoffman & Muller, 2009; Smith & Li, 2010; Braunsberger & Buckler, 2011, Farah & Newman, 2009). This boycott is focused on particularly American firms and their brands in Malaysia based on the boycott list obtained from VPM's website.
The usage of university students to represent consumers is common in boycott studies (Klein et al, 2001; Yuksel & Mryteza, 2008) as well as in other boycott related studies (Klein, Ettenson & Krishnan, 2005). Using students as samples tend to produce generally homogeneous samples and "fairly uniform in terms of age and experience thus eliminating the possibility of uncertainty and confusion" (Yuksel & Mryteza, 2008, pg. 4). Apart from that, students represent a large key market for many consumer products (Yuksel & Mryteza, 2008) and as consumers; they have the possibility, potential and power to participate in a boycott.
Following a similar approach adopted by Klein et al, (2001) and Sen et al, (2001), this study selected two (2) brands based on strong market presence and brand familiarity among Malaysian consumers – McDonald's and Coca-Cola. Additionally, these brands / products are generally affordable to most consumers including students.

The researchers adopted self-administered questionnaire technique and distributed the questionnaires in purposive selected lecture halls (Cooper & Schindler, 2008) with large number of students (above 100 students per class). After obtaining permission from lecturers, the questionnaires were distributed to students at seven (7) purposive selected lecture halls. All samples were collected within a period of three (3) full-working days.

In the lecture halls, the researchers briefly explained the purpose and objectives of the study. The respondents were asked to voluntarily participate in this study. Respondents were given approximately 15 minutes to complete the questionnaires.

The respondents were given a one-page summary attached to the questionnaire summarizing Israel's egregious acts and the involvement of selected US originated firms. The information for the summary was sourced from VPM's website.

Respondents

The participating respondents were students of a large public university in Malaysia consists of Muslim and non-Muslim students. The religions were identified by asking them to state their religion and later the non-Muslim responds were removed from the analysis. With 98% response rate, a total of 566 usable samples of Muslim students were obtained. 98% of the samples were ethnic Malays, while 2% belonged to other ethnic and/or indigenous groups of the Peninsular, Sabah and Sarawak. 96% of the samples were undergraduate students, while the remaining 4% were post-graduate students. 81% of the respondents were females with average age of 22. 93% of the samples aged between 19 to 25 years old.

Instrument

Respondents were asked to indicate their response to questions concerning six (6) constructs on a seven (7) point Likert-type scale (1 = "strongly disagree or bad" and 7 = "strong agree or excellent"). First, the respondents were required to complete their demographic details followed by the 6-item measurement of willingness to boycott adopted from Smith & Li (2010). The respondents then answered the 'Benefits and Costs' measurements adopted from Klein et al (2004) that were formed by four (4) identified sub-dimensions; 1) to make a difference, 2) self-enhancement, 3) counterargument, and 4) constrained consumption. Unlike Klein et al (2004), the measurements for these items were standardized to a scale of seven (7), mainly to avoid respondents' probable confusion in answering. Respondents then required to estimate the level of boycott participation by the customers of the said firms. This question was measured in percentage.

Following that, the respondents answered two (2) levels of 'Country Image' construct that measured Macro (Country) and Micro (Product) levels adopted from Pappu, Quester & Cooksey (2007). Finally, the respondents were required to answer the measurements Islamic Religiosity Index developed by Rehman et al (2010).

Results

Descriptive Statistics

The descriptive statistics for the seven predictors of willingness to boycott are presented below in Table 1.1. The mean for willingness to boycott (M = 4.76, SD = 1.13) suggested that respondents were between "neutral" and "willing to boycott".

Five of the scales (egregious behavior, make a difference, self-enhancement, macro country image and religiosity) averaged above the score of five. Only one scale (counterargument) averaged below the smid-point scale.

Overall, seventy eight percent (78%) of the respondents agree that the firms behaved egregiously and sixty eight percent (68%) expressed their willingness to boycott. Eighty percent (80%) of the respondents feel that their participation can make a difference, while seventy seven (77%) percent believed that by participating in a boycott will increase and enhance their self-image.

Eighty six percent (86%) and fifty nine percent (59%) of the respondents believed that the macro and micro country image are not bad, respectively. Finally, ninety five percent (95%) of the respondents believed that they are religious. Refer to Table 1.

Table 1: Descriptive statistics of the variables

Variable	Mean	SD	% of respondents (Disagree/Bad) 1 ≥ M > 4	% of respondents (Neutral) M=4	% of respondents (Agree/Excellent) 4 > M ≥ 7
Willingness to boycott	4.76	1.13	19.6	12.4	68.0
Egregious	5.38	1.27	8.8	13.1	78.1

Difference	5.38	1.25	10.2	9.7	80
Self-Enhancement	5.08	1.09	11.7	10.8	77.6
Counterargument	3.62	1.12	55.5	12.0	32.5
Religiosity	6.24	0.87	2.3	3.0	94.7
Country Level	5.34	1.08	5.8	7.8	86.4
Product Level	4.50	1.17	22.3	17.8	59.9

Factor Analysis

The suitability of the data for factor analysis was assessed. The correlation matrix revealed the presence of many coefficients scoring above 0.3 and above. The KMO value was 0.891 and the Bartlett's Test of Sphericity reached statistical significance. All scales were then subjected to principal components analysis with Varimax rotation. A total of fourteen items were discarded from willingness to boycott (1), religiosity (5), macro country image (4) and micro country image (4). After removing the items, eight components were revealed and found to be unidimensional which explained 65% of the variance.

Correlation Results

Table 2 provides the summary of the result. The willingness to boycott is positively and significantly correlated ($p < 0.01$) with all of the independent variables except for micro country image (product level). This is an indication that respondents with high scores on the independent variables would tend to have higher willingness to boycott. Counterargument is negatively correlated ($p < 0.01$) with willingness to boycott, indicating higher score for counterargument will have lower willingness to boycott.

Multiple Regression Results

Multiple regression analysis was conducted to examine the relationship between willingness to boycott and the independent variables – 1) egregious behaviour, 2) benefits and costs, 3) religiosity and 4) country image.

The multiple regression model with all seven independent variables produced $R^2 = 0.351$, $F(7, 566) = 43.03$, $p < 0.001$ indicating that the model explained approximately 35% of the variation in the respondents' willingness to boycott. As shown on in Table 2, egregious behavior [$t(558) = 3.327$, $p < 0.01$] as well as the sub-constructs of benefits and costs i.e. make a difference [$t(558) = 2.723$, $p < 0.01$] and self-enhancement [$t(558) = 8.493$, $p < 0.001$] had significant positive regression weights, indicating that respondents with high scores on these scales were expected to have higher willingness to boycott.

While micro country image [$t(558) = - 0.099$, $p < 0.1$] had significant negative regression weight, indicating that respondents with high score on this scale was expected to have lower level of willingness to boycott. However, macro country image (country level), religiosity and counterargument were not significant and thus, did not contribute to the model. Based on the result, self-enhancement was the highest contributor on the model, while the least contributing variable was micro country image. In summary, four hypotheses (H_1, H_{2b}, H_{2c}, and H_{3a}) were supported, while three hypotheses (H_{2a}, H_{3b} and H_4) were not supported. Refer to table 3.1 below.

Table 2.1 : Summary statistics, correlations and regression analysis results

Variable	Mean	SD	Correlation with Willingness to boycott	b	B
Willingness to boycott	4.76	1.13	1.00		
Egregious	5.38	1.27	0.45**	0.13	0.15**
Difference	5.38	1.25	0.46**	0.12	0.13**
Self-Enhancement	5.08	1.09	0.55**	0.41	0.40***
Counterargument	3.62	1.12	-0.19**	0.04	0.04
Religiosity	6.24	0.87	0.19**	- 0.05	-0.04
Country Level	5.34	1.08	0.13**	0.09	0.08
Product Level	4.50	1.17	-0.08	- 0.10	-0.10*

* significant at 0.1 level

** significant at 0.05 level

*** significant at 0.01 level

Discussion

This study examined a localized on-going boycott based on an international conflict. Based on the results, there is enough evidence to establish relationships between the variables as most proposed hypotheses are supported. These findings may have important impacts as well as implications on the key actors of boycott occurrences; the consumers, targeted firms, boycott organizers (NGOs) and policymakers.

Based on the results, it is important to recognize that the respondents 'identified' with the firms' inappropriate involvement on the egregious acts (M=5.38) of Zionist Israel towards the Palestinians. This indicates that the respondents are still relatively angry and dislike any association of any sort with regards to the atrocities, despite low or declining mass media coverage on this issue over the years. Perhaps the element of animosity exists and adds up to the anger among the respondents as a result from the 'economic attack' in 1997/98 (Swee et al, 2004).

These respondents believed that they could make a difference (M=5.38) to the atrocities and situation faced by the Palestinians, if they decide to participate in the said boycott. By participating, these respondents strongly believed that they will be 'rewarded' with a sense of personal gratification, satisfaction and relieve. These 'feel-good' rewards will satisfy the respondents' need to enhance and maintain their self-esteem (Sedikides & Strube, 1995, Klein et al, 2004), especially when the respondents were exposed to social pressure to participate (Sen et al, 2001), thus threatening their self-esteem (Beauregard & Dunning, 1998; Krueger, 1998; Wills, 1981).

Unexpectedly, the respondents did not entirely respond to the arousal benefits and costs model (Dovidio, et al, 1991) as hypothesized. From the results, the respondents did not consider the costs involved in boycotting (counterargument with M=3.62) and did not agree that by boycotting the targeted firms and their brands/products; the local economy might be negatively affected. Nor did they agree that there might be negative repercussions on the employees and related businesses. This is contradicting, unusual and strange as the respondents are willing to help the Palestians but completely disregard the well-being of their fellow Malaysians. It is akin to helping a stranger in a far foreign land, but ignoring the well-being of a close family member.

Perhaps in the minds of the respondents, employments are abundant and easily available in Malaysia, and that the employees affected by the boycott can seek other employment elsewhere. On the other hand, this may imply that the respondents' perception on the economic conditions in Malaysia to be fairly stable.

As evidenced in the results, the respondents rated an acceptable level of country image (M=4.5) for both firms, and that the positive country image can reverse their willingness to boycott. Hence, respondents with high regards of the firms country image, will have lower level of willingness to boycott. This could possibly be explained through the fact that these firms/brands have been in existence in the Malaysian market for decades (Coca Cola and McDonald's have been in Malaysia since 1950s and 1982, respectively), which could have helped developed high level of consumer-based brand equity (Pappu et al, 2007). The key elements of brand equity (Pappu et al, 2007) which are brand associations, perceived quality and brand loyalty could have played significant roles in suppressing the respondents' willingness to boycott.

Also, the results showed that religiosity was insignificant in respondents' willingness to boycott. Most if not all religion promotes good behavior and good deeds. If supporting the boycott is seen as performing a good deed by extending help to fellow human in need, then why is it insignificant? Is it *Halal* for Muslims to consume products of a firm which 'help' to shed blood in other part of the world? This study revealed the opposite of the religiosity-boycott participation concept proposed by Al-Hyari, Alnsour, Al-Weshah, & Haffar, (2012). Also, looking at boycott as the reverse of purchase behavior, the results of this study also contradict the Islamic religiosity and consumer behavior findings of Syed, Rohani & Badrul, (2011). This is because the respondents were found to be very religious (M=6.24), however, they did not "behave in relatively more matured, disciplined and responsible manner" (Syed et al, 2011, pg. 93) as they should be. Interpreting how one should behave in a matured, disciplined and responsible fashion would probably involved taking in consideration the damage effect occurred as a result from one's action (in this case describing counterargument). Possibly, the only explanation to this issue is that respondents may consider the boycott in question as more of a humanitarian or moral issue rather than religious.

Interestingly, the respondents estimated an average of 51% of the firms' customers to be involved in the boycott, which is considered to be high (in contrast to Klein et al, 2004 where the average estimation of customers involved in boycotting was merely 27%). This indicates that the respondents have high expectation of others to participate in the boycott as well, consistent with Klein et al (2004). However, through simple observation of several McDonald's restaurant outlets in large cities, this was not the case. From a boycott-social dilemma perspective (Sen, et al, 2001), undeniably there are large number of Muslim free-riders consuming the boycotted products at the cost of the boycotters as suggested by John & Klein (2003).

Ultimately, it can be summarized that Malaysian Muslims who are willing to participate in a boycott sought 1) to enhance and maintain their self-esteem, 2) believe that by boycotting they can a make difference, 3) to the egregious acts, and at certain degree when deciding to boycott, the consumers will 4) consider the image of the country that the products are associated with.

Managerial Implications

Depending on how these results are interpreted, it can be seen either as opportunities as well as challenges to different opposing ends. The results from the proposed model are very much important and beneficial to both targeted firms and organizing NGOs to understand the boycotting behavior of respondents in the study.

First, the proposed model is useful for firms associated with US (and perhaps other western countries as well), operating in Malaysia specifically in the F&B industry. Additionally, the proposed model can also be applied in similar markets where there are significant Muslim consumers are present (e.g. Indonesia, Egypt, Pakistan).

Second, the proposed model could provide results for managers to obtain feedbacks from their customers. The results can be used to understand their customers as means to strategize their (counter neutralizing) responses as according to their available resources and capabilities. Further, the results can also be used as means to improve certain business areas as well as activities.

Similarly, managers of organizing NGOs could utilize the proposed model to understand how to 'wage a war' with their target firms and how to gain continuous support from their supporters and the general public. This can be done as the results will reveal the vulnerable areas of the target firms (for example - their country image) and the 'hot buttons' of the supporters to ‘press’ (for example - egregious acts, self-enhancement, and make a difference). By revealing which ‘buttons’ to press, managers can determine which ‘buttons not to press’ (i.e. religiosity).

Limitation and Future Research Direction

Despite being able to research based on an actual on-going boycott, there were several limitations faced in completing our research. The samples used for this research were students collected from a single university in Malaysia which may or may not reflect the true population of the targeted subjects. Hence, to generalize the results to the wider population must be done with care and reservation. However, future research could consider non-students with bigger sample size, multiple ethnicities and religions from multiple locations representing the regions of Malaysia for better and reliable results.

Further, future researchers could consider examining how consumers might react towards boycotting on different product categories, for example automobiles, electronic gadgets and clothing. Perhaps, consumers will have different perception, attitude or motivation towards different product categories in relations to boycotting. Researchers could also examine boycott from the perspectives of the targeted firms.

As highlighted by Al-Hyari et al (2012), Muslims have high potential for social desirability bias as respondents may engage in sinful activities in private without admitting. This could have caused bias in the results, which could lead to further future research on why Muslim consumers prefer to appear ‘pious’ in reflection of their consumption behavior. Another interesting area to investigate would be the relationship and its level of influence of religiosity on humanitarian issues.

As mentioned in the earlier part of this research, there are several types of boycotts which are currently on-going in Malaysia. As examples, boycotts which are motivated by racial related issues; and the boycott of the Malaysian mainstream mass media which is spurred by political differences. These examples would provide valuable information and results for researchers to capture the ‘diversity’ of boycotts in Malaysia.

Additionally, future researches could also incorporate other factors of boycott motivations as identified by western-based researches, or examine boycott occurrences from different or opposing perspectives.

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The Impact of Culture, Materialism and Religion on Conspicuous Consumption Behaviours

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Abstract

Globalization has led to varied availability and choices of goods and services for global consumers all over the world. For instance, there are increasing demands for luxury brands like Prada, Louis Vutton or Christian Dior in many developing countries like Malaysia, Indonesia, Thailand, Africa and etc. Such brands have created an affluent market for the global consumers with a more opulent tastes, preferences, and lifestyles. With such behaviour, consumers are becoming more conspicuous in their purchasing behaviour, hence creating new and different patterns of consumption culture all together. In the past, conspicuous consumption has been investigated from the economic and marketing literature in the effort to understand the motivations for buying luxury products (Dubois and Laurent, 1994; Hader, 2008) in wealthy or developed countries. However, with the heightened needs for imported and quality products as well as change in tastes and preferences, cultural impacts are beginning to create a new interest in the international marketing literature (Soares et.al. 2007). Yet, there are not many studies that have looked into the intention to behave conspicuously from a cultural stand point, for example looking at the impacts of cultural values, materialism values and religious values. In support, according to Lindridge (2005), it was clearly stated that religion's influence on consumer behaviour is still under researched. This study has chosen Hofstede's theoretical lens to understand the effects of culture on conspicuous consumption motivation among consumers in Malaysia. We are interested to understand the conspicuous concept and the spread of luxury culture especially in Asian countries since previous studies have tested such phenomenon predominantly in the Western countries. The spread of luxury model suggested by Chadha and Husband (2006) will help to better understand the spread of luxury culture among the Asian societies. Literature suggests that conspicuous and luxury concepts are related to each other. By examining the conspicuous motivation among consumers, we hope it will help to explain why people are motivated to engage with luxury consumption in another part of the world—Asian countries.

Keywords: Conspicuous consumption, Materialism, Hofstede's culture dimension, Religious influence

Introduction

Globalization has led to varied availability and choices of goods and services for global consumers all over the world. For instance, there are increasing demands for luxury brands like Prada, Louis Vutton or Christian Dior in many developing countries like Malaysia, Indonesia, Thailand, Africa and etc. Such brands have created an affluent market for the global consumers with a more opulent tastes, preferences, and lifestyles. The word "luxury" may have different meanings in the minds of consumers. Some may think that luxury can be afforded only by certain people. Others think that luxury means having to spend a huge amount of money. Luxury items are only owned by a few but desired by many (Mandhachitara and Locksin, 2004). Dubois and Laurent (1994) had stated that from time to time demand for luxury goods primarily request by an ordinary consumer who transform their desire to acquire a luxury products into reality.

People's attitudes towards luxury can be divided into four dimensions (Dubois and Laurent, 1994): 1) evaluative attitude toward luxury brands, 2) interest toward luxury brands, 3) personal rapport with luxury, and 4) mythical/symbolic values attached to luxury. Evaluative attitude toward luxury brands is defined as the opinion of an individual toward luxury brands -- put simply, what do they think about luxury brands? Interest toward luxury brands means how important the individuals think luxury brands are to him. Personal rapport can be defined as a person's affinity with luxury, or how comfortable they are with it. Mythical or symbolic values refers to personal knowledge of value attached to luxury (Dubois and Laurent, 1994 as cited from de Araujo Gil, 2009).

However, in order to understand people's or consumer's attitudes towards luxury brands we need to know how this luxury culture is spreading especially to Asian countries. A model developed by Chadha and Husband (2006) will be adapted as a tools in order to understand this culture because luxury culture primarily rooted from Western culture. This model's known as "The Spread of Luxury" consists of 5 stages such as subjugation stage, start of money stage, show

off stage, fit in stage and way of life stage. Some Asian countries are now in the last stage of spreading of luxury culture such as Japan, Hong Kong and Singapore (Chadha and Husband, 2006).
Culture is an important element that can be used in order to explain the behavior of people and cultural influences on various aspects of consumer behavior have been widely studied, especially on consumption patterns and behavior. Cultural influence on consumption and marketing has drawn increasing attention in recent years (Soares et.al, 2007). Culture and marketing have a two-way relationship, because culture influences marketing and marketing can also influence culture. The need to understand cross-cultural consumer behavior is thus evident (Manrai & Manrai, 1996). Different elements of culture can help explain consumption patterns and the way consumers behave. In order to understand the effects of culture, one must first understand the culture itself. Culture can be defined as a characteristic way of perceiving the man-made part of one's environment (Triandis, 1972). It involves rules, norms, roles, and values; is influenced by various elements such as language, gender, race, religion, place of residence, and occupation; and influences interpersonal behavior.
In this research, Hofstede's four cultural dimensions -- collectivism vs individualism, masculinity vs femininity, power distance and uncertainty avoidance -- will be applied to understand the effect of culture on conspicuous consumption motivation in Malaysia. Each of the dimensions will be discussed and analyzed in the context of Malaysian consumers. Based on the Hofstede country score, Malaysia is a collectivistic society with high femininity, high power distance and high uncertainty avoidance.
Therefore, it is important to define the culture based on Hofstede. Hofstede have defined culture as "the collective programming of the mind which distinguishes the members of one group or category of people from another" (Hofstede, 1997).
Another cultural value considered in this study is materialism value. Materialism and topics related to it were popular among researchers a decade ago (Torlak and Koc, 2007). Although materialism issues are usually seen as a negative side of human behavior, the effect of this value on consumer behavior should not be ignored. In this research, materialism value is discussed and analyzed in order to understand their effect on conspicuous consumption motivation and attitude toward luxury. Richin and Dawson's (1992) Materialism Value Scale is used as a measurement since this scale has been widely used by researchers.
The final cultural factor included in this study that affects conspicuous consumption is religion. This is because religious belief is an important part of culture. In this research we focus on the aspects of religious belief that may affect consumption behavior. Lindridge (2005) stated that religion's influence on consumer behavior is still under-researched, therefore it is worthwhile to examine the interaction of religiosity and culture that may add to our understanding of why people engage in conspicuous consumption.
Conspicuous consumption, materialism, status consumption and luxury buying are closely related in a consumerist culture. In this study, status consumption is treated as one of the dimensions by which to measure conspicuous consumption motivation. Status consumption can be defined as the consumption of products or services for the purpose of achieving social status. Seneca (2009) in his study stated that individuals who are high in materialism are more likely to buy expensive items to show their status in the society.

Background of study

The demand for luxury products rises as individuals' buying power increases as their economic conditions improve (Kuisma, 2008). There is an increasing demand for prestige goods, especially imported goods. As a consequence, more new luxury brands are emerging on the market than ever before (Kuisma, 2008). This has affected Malaysian consumers as they become more alert to these products through the influence of advertising that emphasizes the prestige aspect of the products. As discussed above, conspicuous consumption refers to people buying prestige products in order to show their status and wealth to the rest of society. Luxury or prestige purchases can also be services, such as spas, health centres, luxury vacations, and similar items.
One study that looked at consumption in a Malaysian context is Kuisma (2008) who studied the differences between Malaysian consumers and Finnish consumers in their intention to purchase luxury products and conspicuous consumption. Surprisingly, Kuisma found that Malaysian consumers are more prone to conspicuous consumption than Finnish consumers (Kuisma, 2008). This finding is a major reason why the present study is being conducted, since if it is true that Malaysian consumers are becoming conspicuous, we need to understand what factors motivated them to do so. Hofstede's cultural dimensions have become widely accepted; it is therefore particularly interesting to study the Malaysian consumer, because this behavior is in contrast to the overall cultural values of Malaysia in that the country is, according to Hofstede's cultural criteria, a collectivist country, more feminist, high in power distance and high in uncertainty avoidance (Hofstede, 1980). In most cases these attributes indicate a tendency to value quality of life and environment over materialistic ends.

Hofstede's (1980) dimension of culture and conspicuous consumption – Review of literature

Collectivism and Conspicuous Consumption Motivation

As a collectivist culture, Malaysian consumers should not tend to buy foreign products. This is because, referring to Yoo and Donthu (2005), Malaysians as members of a collectivist consumer society are assumed to be more patriotic consumers, to prefer domestic products, and to feel obligated to buy domestic products in order to make sure that the domestic markets are protected.

However, some studies have proven that even though Malaysia is a collectivist country, they are becoming exposed to more foreign products and are more willing to consume them. This is according to a study by Wan Zawiyah (2004), who studied the effects of ethnocentrism, materialism attitude and prestige sensitivity on consumers' purchase intentions of Malaysian-made products. She found that Malaysian consumers today are more willing to purchase imported products based on their perception that imported products are high in quality and are a way to express their material status.

Malaysian consumers' increasing tendency to purchase imported products may also be due to the materialistic values which have risen in Malaysian society (Wan Zawiyah, 2004). Consumers are purchasing imported products because they want to express their power in terms of money and status. This may lead to more conspicuous consumption behavior. In a collectivist culture, people try to behave the same as the rest of society in order to make sure that they are accepted by that society. So, when they belong to a group whose other members like to purchase imported products, they are also willing to buy them.

In contrast to that, Kuisma (2008) studied the intention to purchase luxury goods in Malaysian and Finnish consumers. He found that Malaysians are more conspicuous consumers than Finns. However, he also found that the presence of a reference group affects the individual’s intention to purchase luxury goods, and that reference groups are important to Malaysian consumers when it comes to high involvement in purchases of luxury products. In a collectivistic society, family and reference group can influence the decision to make any given purchase.

Masculinity and Conspicuous Consumption Motivation

One of the characteristics of a masculine culture is an emphasis on the acquisition of money and possessions. People with masculine values are concerned more with wealth and material success and are very materialistic. This type of consumer is likely to engage in conspicuous consumption behavior. However, based on Hofstede's cultural dimensions, people with masculine values are less willing to buy foreign products.

Yoo and Donthu (2005) state that the masculinity-femininity dimension normally is applicable when there is a confrontational issue, especially regarding foreign products. They add that when a question arises regarding foreign products, masculine consumers will use confrontational solutions while feminine consumers prefer harmony-enhancing solutions (Leung et al, 1990).

People higher in masculinity tend to listen to only one side of the issue regarding foreign products, normally the negative side. In contrast, people higher in femininity will listen to both side and are more willing to accept imported products because they think that foreign products should be treated fairly in domestic markets. They also are positive thinkers and are open to choosing foreign products because of their quality and variety.

Uncertainty Avoidance and Conspicuous Consumption Motivation

First-time purchases of imported or foreign products may create a perceived risk to consumers since the products are of unknown quality. Therefore, people with high uncertainty avoidance will avoid buying imported products. Such people are also more brand loyal and therefore normally will not engage in conspicuous consumption behavior.

By contrast, people with low uncertainty avoidance tend to show a high tolerance for consuming foreign products (Yoo and Donthu, 2005). Malaysian society is high in uncertainty avoidance, and so Malaysian consumers may be expected not to engage in consumption of foreign products or in conspicuous consumption behavior. This is because people who intend to buy luxury products, normally imported products, often do so in order to distinguish themselves from others -- that is, to be conspicuous.

Power Distance and Conspicuous Consumption Motivation

Power distance normally relates to the power of one person over others. In dealing with foreign products, the government can play an important role in influencing its citizens' attitude towards imported products. People in societies with a high power distance tend to follow the government's lead. Some governments will restrict certain foreign products from entering their domestic market. For example, the Malaysian government, though it does not officially restrict foreign products from entering the Malaysian market, has engaged in a campaign to encourage consumers to buy and appreciate domestic products. Also, the government charges a high tax on some foreign products. As a consequence, people in societies with a high power distance, like Malaysia, will not buy imported products and will show more patriotic buying habits in order to express their loyalty to their country.

However, another characteristic of high power distance cultures is that they put more importance on prestige, wealth and power (Yoo and Donthu, 2005). People in societies that are high power distance are therefore likely to engage in conspicuous consumption behavior.

Religious influence on consumer behavior – Review of literature

Culture and its influence on various aspects of consumer behavior have become a primary concern among researchers recently. However, only a limited number of studies have incorporated the role of religion as an element of culture with respect to consumer behavior (Essoo and Dibb, 2004; Mukhlis, 2009). Religion is of interest because it is a cultural factor that exerts an important influence on people's attitudes, values and behaviors at both individual and societal levels.

Although religion's impact on consumption-related behavior has been studied in the marketing literature (Mokhlis, 2009), there are many possible reasons why religion has not been examined adequately in consumer behavior literature. Hirschman (1983) suggests one reason for the slow development of literature in this field is that consumer researchers are unaware of the possible links between religion and consumption patterns. Another reason may be that consumer researchers have a prejudice against the topic of religion because it can be a "taboo" subject and too sensitive to investigate. Lastly, Hirschman (1983) claims that religion is so ubiquitous that it may have been simply overlooked by researchers as a variable for investigation in the field of consumer behavior and marketing.

Mukhlis (2009) supports Hirschman's argument (1983) even though Hirschman made those arguments some years ago. To date, few studies have investigated religion as either a variable in, or a predictor of, consumption patterns. This is supported by an analysis conducted by Cutler (1991) that examined the frequency of religion-related papers published in the academic marketing literature from 1956 to 1989. Cutler found only 35 articles that focused on religious beliefs, and most of them (nearly 80%) were published in the 1980s. Only 6 papers out of 35 were specifically identified as falling within the consumer behavior discipline (Mukhlis, 2009).

Essoo and Dibb (2004) claim that the role of religious value systems has not yet been fully acknowledged in consumer research, although researchers have long recognized the significance of religion in sociology (e.g. Anderson. 1970; Greeley, 1977 and Lenski, 1961) as well as in psychology (e.g. Allport, 1950; Pargament and Hahn, 1986; Patai, 1977). Religious influence in this study is significant because religion affects the emphasis placed on material life and the attitudes towards owning and using goods and services (Essoo and Dibb, 2004). Essoo and Dibb (2004) also state that studies in the marketing literature argue that religion is often a key element of culture and thus obviously influences behavior -- including the purchasing decisions of consumers (Hirschman, 1981; Delener, 1990a). In consumer behavior, this influence may take two forms (Harrell, 1986): direct influence and indirect influence. Direct influence relates to the influence of a religious code of conduct on personal choice, whereas indirect influence relates to its influence on attitude and value formation (Essoo and Dibb, 2004).

According to Mukhlis (2009), a number of studies have examined religion's influence on people's values, habits, attitudes and behavior. Some of these studies focused on the relationship between religion and behavior, and have confirmed that religion strongly influences an individual's emotional experience, thinking, behavior and psychological well-being (Chamberlain & Zika, 1992; McDaniel & Burnett, 1990; Pollner, 1989; and Witter et al., 1985).

Conclusion

Cultural factors exert a significant influence on behavior; as such, it is important both theoretically and practically to investigate and understand their effects on consumer behavior, especially consumption behaviors,. The interplay between culture and consumption may strongly affect feelings of self-esteem, since an individual may attempt to alter his or her material possessions as a result of social identity.

A study by Jung and Kau (2005) looked at culture's influence on consumer behavior as reflected among three ethnic groups in Singapore: Chinese, Malays and Indians. Jung and Kau (2005) used Hofstede's (1980) cultural framework to identify various consumer behaviors that could be influenced by culture, such as information sharing, family decision making, information sharing, opinion leadership, ethnocentrism, perceived risk, brand loyalty, innovativeness, information search and opinion seeking. All of the behaviors were then mapped to Hofstede's cultural dimensions. After that the influence of cultural dimensions on the identified consumer behaviors was investigated in a multiracial Southeast Asian country, namely Singapore.

Most Asians, who come from collectivist societies, place more importance on family but they differ in their level of collectivism. Jung and Kau (2005) stated that this difference of level of collectivism is detectable among three ethnic groups in Singapore. According to a study from Tham (1985), 53.8% of Malay respondents listed loyalty to one's culture and way of life as an important value. Malays believe that their religion holds them together as a community and it is from Islam that they derive their collective identity (cited by Lai, 1995).

Contrast to that a recent study by Kau, Tan and Wirtz (1998), which found that the importance placed by the Singaporean Chinese on values that emphasize family is rapidly diminishing; only 67.4% of Chinese respondents agreed that family is the most important thing compared to 78.2% of Malays and 80% of Indians. This diminishing of Chinese values may be due to the influence of Western culture as well as an increase in affluence (Jung and Kau, 2005) among Singaporean Chinese. This would account for the lower emphasis on collectivism on the part of Chinese as compared to Malays and Indians.

A study from Yoo and Donthu (2005) which looked at U.S consumers' behavior towards imported products from Japan found a significant interest towards it. The objective of the study was to examine the relationship between cultural orientation and consumer ethnocentrism. The researchers hypothesized cultural orientation based on Hofstede's dimensions, examined the effects of cultural orientation on consumer ethnocentrism, and investigated how consumer ethnocentrism is related to product perceptions and ownership. They hypothesize that consumer ethnocentrism affects both perceived quality of, and intention to purchase, foreign products.

According to the same study, consumer collectivism can be expressed in the form of ethnocentrism, wherein collectivistic consumers show love and concern for the human or societal in-group. This suggests that collectivistic consumers feel more obliged to buy domestic products than do individualistic consumers; they feel that by doing so they are supporting domestic products and enhancing the safety, harmony, loyalty and stability of the home country. It can therefore be suggested that collectivistic consumers are also patriotic consumers (Yoo and Donthu, 2005), because the form collectivism takes at the national level is patriotism. Barnes and Curlette (1985) defined patriotism as a sense of pride in and love for one's own country; respect for and loyalty toward one's countrymen; and a tendency to exhibit high intentions of buying domestic products and low intentions of buying foreign (Han, 1988).

In spite of collectivism, individualistic consumers are likely to make autonomous decisions. Their purchase decisions are based on their own independent and rational judgment since they care more about product attributes such as price and quality rather than group pressure to buy domestic products.

Individualistic consumers also pursue competitive hedonism, which means the pursuit of happiness through superior performance and success in competition with other individuals (Triandis et al., 1993). They also prefer to encourage domestic products to compete against foreign products, because they believe that the availability of foreign products in the domestic market will benefit the consumers in their host country by increasing the number and variety of high quality products. This will allow a competitive market for domestic products.

Both men and women have been reported to show a significant difference in conspicuous consumption, with females having a greater tendency to conspicuous consumption than males. However, this finding is limited to products such as fashion clothing and sunglasses and to consumers between 18 and 25 years old. In addition to gender differences, different ages have different tendencies towards conspicuous consumption (O'Cass and McEwen, 2004).

There are also significant differences in the types of products that are consumed, as shown in a study by Shukla (2008) which focused on the middle-aged consumers who consumed conspicuously in the context of automobile buying behavior. Researchers and marketers tend to be focused on the issues surrounding marketing and advertising to young people (Lindstrom and Seybold, 2003; Grant, 2004) and have largely ignored the importance of understanding the behavior of middle-aged consumers related to conspicuous consumption. Middle-aged consumers, described by Cavanaugh (1990) as people within a 40-60 year old age, tend to be more stable in terms of income and career, and were found to be spending more on investment assets such as housing, cars and others compared to young consumers who spend mainly on clothing, internet and mobile phones (Spero and Stone, 2004). Relevant literature provided by Congleton (1989) and Rauscher (1993) suggests that "income factors exert an amplification effect and a discouragement effect affecting conspicuous behavior"(Shukla, 2008).

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Consumption Related Coping strategies of Striver, Believer and Maker Lifestyles: A Conceptual Model

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1. Value of the paper

Low income consumers account for a significant portion of the population. Of the 6.5 billion members of the human community, approximately 800 million are at the top of the economic pyramid (Hart, 2005). Conversely, more than 4 billion people live in subsistence marketplaces (Viswanathan and Rosa, 2007), otherwise referred to as the "bottom of the pyramid" (Prahalad, 2005). Scholars and practitioners alike suggest that the problems existing in subsistence marketplaces demand the attention and involvement of responsible business and that doing business with consumers in such marketplace could be both socially responsible and profitable. Few studies discussed the behavior of the low-income consumer. Most of the studies carried out in this respect discussed the impacts of consumer behavior on marketing strategies. Even Prahalad (2005) work focuses more on the strategy perspective than on elucidating the consumption behavior of the disadvantaged individuals. It is worth noting that, as in other disciplinary areas much like anthropology or sociology, the contributions are rich (Chaudhuri, 2010). In the field of consumer research, Hill and Stephens' (1997) model of impoverished consumer behavior was the main contributor to the coping with poverty literature. In their model they categorized coping strategies as either emotional or behavioral. Although both psychologists and consumer researchers have criticized such a division for being overly simplistic (Carver et al. 1989; Duhachek 2005), it provides a useful way of presenting the literature on coping with poverty.
This paper represents one of the few attempts to examine coping with poverty in a marketing context by relating it to consumer lifestyles and consumption related behavior. It offers policy makers insights into ways to segment resource constrained consumers and how to use these segments to understand these consumers and their consumption patterns.

2. Purpose of the paper:

The paper presents a conceptual model that links three types of consumer lifestyles (strivers, believers and makers) , coping strategies they use to deal with poverty-related stress and how these strategies relate to their consumption pattern reflected in the percentage allocated to necessities, education, health and other expenditures.

3. The conceptual model:

The conceptual model includes four main parts, the poor consumer lifestyles, strategies used to cope with poverty, consumption pattern reflected in the percentage allocated to necessities, education, healthcare, leisure and other expenditures and moderating variables. Poor consumer lifestyles will be examined using Values and Life Style (VALS).VALS is considered one of the most widely used approaches that classify consumers based on their lifestyles. Generally, VALS divides consumers into two main groups, low resources and high resources consumers. Low resources consumers (i.e., poor consumers) are further classified into makers, believers and strivers. Research suggests that low-income consumers often show great skills in exploiting their environment to exert some control within their lives and adapt to the financial realities with which they are faced (Alwitt and Donley 1996; Hill and Stephens 1997). The second part of the model thus includes the various coping strategies used by the three lifestyles to reduce poverty generated stress. The model postulates that consumers in the three lifestyles will exhibit different coping strategies. The third part of the model includes consumption patterns reflected in the percentage allocated to different items (food, education, health, leisure and other expenditures). The fourth part of the model includes possible moderators; variables such as age, income, and education are postulated to have a moderating effect on the relationship between the three research constructs.

Cultural-Religious Literacy and Image Enhancement of Islam through Interactive Communication: An Inclusive Approach

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Prof. Zeeshan Amir did her M.Sc in Analytical Chemistry in 1981, MBA and PhD in Business Administration from Aligarh MuslimUniversity, Aligarh, India. She joined the Faculty of Management Studies and Research at AMU as a Lecturer in January 1986.She was associated with the university for over 10 years teaching and guiding post graduate students. Later, she moved to Mirzapur where she worked as Director-Education at the Ideal Academy of Management Sciences (IAMS) affiliated to VBS Purvanchal University from June 99 to July 2002. Thereafter she joined as Director – Institute of Vocational Training and Management. Besides her Academic pursuit, she has proactively been involved in the NGO sector. She has worked as the Co-ordinator for the Women Empowerment Project for an NGO funded by World Literacy of Canada. Here, she made major contributions in organizing women's Adult Literacy Program and encouraged social entrepreneurship and helped to establish income generating opportunities in the tribal areas of Mirzapur. She was shortlisted for theUSA based Eisenhower Scholarship in 2006 and has received Vocational Award by the Rotary Club in recognition of her contribution towards education and empowerment of women. She also conducted Need Assessment Survey under Healthy District Project for the World Health Organization.

Due to her outstanding contributions to the society regarding vocational education for youth and making women aware of social entrepreneurship, she was chosen as member of Legal Service Authority of India, a Govt. body at Mirzapur. She is still associated with many community based organizations and NGOs and extends consultancy for skill development programmes so as to empower the needy to find suitable employment.

She has been associated with WILL Forum, Women in Leadership-India. Recently, she has worked hard to carry the objectives of WILL among the women of Lucknow, India working in sectors other than corporate ones, who too need to be given equal opportunity to find a noticeable place at their work place. She has been conferred with **"WILL Women's Choice Award: 2012** in recognition of her excellent contribution to the WILL Forum Mission and mandate for Women in Leadership.

She has joined Integral University at Lucknow, UP, India in 2011. This university happens to be one of the private universities of repute in north India. At present, she is working as **Professor and Dean,** in the Faculty of Management and Research, Integral University. She is also a Member of the **Internal Quality Assurance Cell, (IQAC).** Dr. Zeeshan Amir, is also heading the **'Women's Study Centre'** as **Chairperson** at Integral University, Lucknow.

Abstract

India is a country having wide variety of customs, languages and religions. The diversified cultural-religious values have intermingled together, encompassing centuries of interaction, to make it an amazing country in the world. India as a nation has seen varied spell of an era dominated by a specific faith and belief at certain periods of its existence. Both Buddhism and Islam have occupied this space over a number of centuries in the history of this enormous country.

As far as Islam is concerned, its tenets are absolutely in contrast to the basic practice of idol worship prevalent in India. But still the Muslims and Hindus have gradually developed a cultural-religious ethos of tolerance towards each other and have made this land a comparatively peaceful place to live and truly practice one's faith. It is this magic of 'Indian Culture 'which dominates the life style of every Indian, irrespective of the caste, creed, and religion, that he/she may belong to.

Subliminally, the religious norms and guidelines of Islam have intermingled with the cultural values and the particular characteristics of its immediate society, in different geographical regions of this vast country. This has wrongly been interpreted in certain quarters; mainly due to ignorance in general, of not being able to differentiate between culture and religion. This negative portrayal of Islam has led to the perceptual distortion of its image by shrinking the broad span of its teaching to the hijab for its women, non vegetarian food, Urdu as an Islamic language and visits to the tombs of its saints etc.

The researcher feels that it is high time to acquaint people, as regards cultural and religious literacy and demonstrate the difference between the two. This could be effectively possible only through interactive communication in the work place and at the social platform level. The author has explored the role of interpersonal relationship to disseminate and portray the true image of Islam. The communicative tools have been delved with respect to community based organizations, accessible media, sharing socio-cultural platforms, conforming to business and social ethics, sensitized attitudes, social intelligence, and neighborhood concerns etc. The cultural – religious literacy is focused on life style (eating habits, dressing up, recreational modes etc.), language, traditions and their consequent cross cultural impact, status of women, workplace culture, education and stereotypes. It is suggested to have an inclusive society based on an honest and liberal practice of Islam.

The beginning of religion in India was represented by Animism, with polytheistic and idolatrous characteristics. The natives of India delighted in many gods and practiced usurious policies and subdivided the community into gotras or groups and thus creating a rigid caste oriented society, that which governed the life of an individual from the cradle to the funeral pyre. On the other hand when the Muslims entered the Indian peninsula, they found themselves the very anti thesis of the prevailing Hinduism being practiced at that time. Thus, ideological and social clashes were inevitable. The Muslim settler was monotheistic with a firm belief in the concept, of one and only one, supreme God. Moreover, the Muslim was at times and destroyer of images and idols and basically opposed to the practice of usury and in many ways uncomfortable with the social habits and prevailing customs of the period.
Thus, the need to live amicably in India, Hindus and Muslims gradually resorted to social transitions, without at any step compromising, on the religious beliefs and tenets of their individual faiths. Over the next few centuries, the Indian social fabric was witness to great changes as regards the development of tolerance and communications between the two major communities.

Social History:
The construction of “Indian-ness” of the Indian system is grounded in a very different interpretation of Indian history. History becomes central in defining the “fundamental nature” of Indian culture. The Vedic age (around 1500-1000 B.C.), represents the essence of the Indian culture to a large hard core majority of the population. However, Muslim Indians argue that Indian culture is blend of several influences, with Islamic culture being a very important component. This has been so, since Islamic period of around nine centuries constitutes the longest single era in recorded Indian history.
India is a land of varied cultures, religions and communities. There is great assortment in traditions, manners, habits, tastes and customs of Indians, residing in its different geographical areas. Each and every region of the country depicts different customs and traditions somewhat unique to its respective region. The religions, habits, geography, climates, languages, lifestyles, cultures might be different but still they unite Indians into an indiscernible frame of 'Indianism'. People of India follow diverse religions, cultures and castes. They follow different traditions, customs and speak different languages. They also differ in dress and food, in spite of so many differences; people have a feeling of oneness and are bound by common cultural conventions along with the sharing of basic human values. Whenever they go abroad, they are known and accepted as Indians.
India is one of the largest democracies on the globe; with a civilization spanning over five thousand years. It prides itself of a vibrant admixture of various cultural origins. These cultural origins of the Indian subcontinent can be traced long back to the Indus Valley Civilization, the relics of which are still found and form an indisputable part of the country’s heritage.
The public of India has countered decisively many of the challenges in the past that tried to disturb this unique fabric of the spirit of India. The majority of the community has always believed that it’s very convenient for every Indian to live a life of his/her own choice. Thus, the basic characteristic of a typical Indian has been a strong mix of tolerance and inclusiveness. 'Unity in Diversity' has been the distinctive feature of Indian culture. To live peacefully has been the dictum of India. It is this “secular” nature of India that gives every religion in India the liberty to preach, practice, and promulgate its teaching by peaceable means.

Religion verses Culture
Religion is way of life. It is an integral part of the entire Indian culture and infuses its spirit in every aspect of life. The culture of India refers to the religions, beliefs, customs, traditions, languages, ceremonies, arts, values and in the variety of ways of life practiced in India by its people. An individual Indian’s values differ from place to place within the country itself. Its socio-cultural values are often marked as an amalgamation of these diverse sub-values prevalent all over the Indian subcontinent.
India is one of the most religiously diverse nations in the world, with some of the most deeply religious societies and cultures. Religion still plays a central and definitive role in the life of a large section of its people.
Apart from Islam, Sikhism, Jainism and especially Buddhism have been influential not only in India but across many parts of the world as well. They too have a visible influence in India, along with a self- assigned tolerance towards people of different faiths.
Islam is being practiced by nearly 12 % population of India as per the census of 2010. Muslims have been increasingly participating in many of the socio-political decisions of the country today.
As far as Islam is concerned, its tenets are absolutely in contrast to the basic practice of idol worship prevalent in India; but still the Muslims and Hindus have over the past centuries developed a multi-cultural-religious tolerance towards each other and made this land a comparatively peaceful place to live in. It is this ‘Indian Culture’ which dominates the life style of a common Indian, irrespective of the caste, creed, and religion, he/she belongs to.
The politico- cultural values and practices of a particular section of a regional society, has lead to a distorted perception of the religious norms and guidelines of Islam as a faith. This has further led to the complete distortion of the very fundamentals of Islam, in the public mind by portraying it as a hard core opaque faith. In general, this perceptual distortion gave birth to a stereotype image of Islam in India and across other parts of the world as well.
Recently the Muslims are being misperceived, as far as religious practices, are concerned. The community itself is solely responsible for that. The high rate of illiteracy and ignorance towards the real tenets of Islam has made them blindly follow the so called religious and spiritual leaders of shallow understanding and their inappropriate approach towards the mode of practicing of the faith. As a result either an Indian Muslim is turning towards a fundamentalist view or shifting

towards the taboos and proscribed practices; both of these approaches unfortunately miss the very basic social spirit of Islam. These extreme pictures of practices have tarnished the image of Islam in the eyes of the majority community.
It is imperative to realize that religious values are different to socio-cultural values. The religious values being practiced under the shadow of cultural values must be limited to the extent that these do not interfere with the basic principles of Islam.
The basic tenets of Islam are followed in the same manner in each and every state of India. But still they differ in their approaches due to the difference in socio-economic, cultural and physical environment. Day to day living cannot be completely replicated from one environment to another.
In Islam there are codes enumerated in the Quran and Hadith of the prophet has been a source of enlightenment for every minor aspect of life in order to lead a life full of contentment individually and the consequent contribution towards a livable society. While adopting the code of life it is very difficult to exclude the silent entry and invisible reflection of socio-cultural values of a specific society. But it does not mean that some Indian woman is not a Muslim if she wears a sari and not an 'abaya' or a man wears pants and shirt instead of adorning something which is commonly labeled as a Muslim dress.
Islam extends a broadly defined ethical domain within which one should practice the basic activities of life. Generally the traditions and cross cultural get up of the society is characterized by features like language, taste & food habits , dressing up , socialization patterns and social concern, customs being followed in turning events of life like birth, marriage and death etc.
Islam also guides the perceptual framing of the different roles and status of human beings in a society irrespective of gender, caste and creed. The crucial ones are the attitude towards parents, women, children, subordinates, neighbors, the less privileged, trade partners etc. that relates to the existence of an ethical social standards for the human race.
Islam emphasizes two core relationships of an individual self: one with God and the other, with the members that form the basic constituents of any society. The noble relationship with God is immensely enhanced, if an individual lives and works for an emergence of a morally oriented society, culture and civilization based on justice and equity.
The image of Islam as a threat to both modernity and a democratic world view has to be fought with dissemination of the magnificent features of a truly Islamic life, in the light of the truth that Muslims too vary in their cultural makeup, political views, level of religiosity, and in the type of Islam that they choose to practice.

Need for Cultural –Religious Literacy: There are many aspects which need to be explained as to how the Islamic view governs them. Due to basic unawareness and low cultural- religious literacy on part of both, Muslims and non-Muslims , socio-cultural practices and certain views are mistakenly identified with Islamic outlook. Let us discuss a few of them that are given wide publicity which run counter to the broad vision of Islam:

Status of women: More than 1400 years ago, Islam afforded women rights comparable to those in existing international human rights documents. It is not Islam but other factors, conspicuously cultural practices unknown to the religion itself, which are the cause of the oppressive attitude towards women. Islam grants woman equal rights to contract, to enterprise, to earn, and possess independently. Islam first voiced against the killing of female child after birth and professed that her life, property and honour were as sacred as those of man. It is not Islam but the impact of Indian culture that defines the subdued role of women in the family and the society as a whole.
In India, particularly in traditional families, women follow rules of veiling their body and avoid public appearance. These rules are common in women of all religions. For almost all women, "modest" dress and behavior are important. Covering most of the body is common; traditionally even the elite class women too cover their heads in front of elders and in public as a mark of grace and modesty.
Hence the 'hijab' has always been there in Indian culture in one form or the other. Thus associating it negatively with Muslims only is a clear case of misconception.
The educational backwardness of Muslim women in India cannot be attributed to practices of Islam; rather it is ignorance, illiteracy and the culture which inhibits Indian women from moving forward through education. Gender inequality is a common accusation made against Islam and a disparity in educational opportunities between men and women in many Muslim countries is often cited as a primary example for this state of affaires. This is a sad reflection upon Muslims and the societies that we have built; since knowledge is one of the most important pillars upon which the edifice of Islam has been raised. Islam is being practiced in the light of principles given in the Quran; thus how can uneducated women imbibe the reading of the Quran and disseminate it to her children and family.
Hence, it is a particular culture in a society which is responsible for all kinds of diffidence and backwardness since in no way Islam is a hindrance to education and progress.

Visiting of Shrines: Many Indian Muslims visit the graves of Muslim saints, to pray and seek solace and personal peace. Though, this is strictly not in conformity with the basic principles of a monotheistic religion like Islam.
A large section of Hindus too visit these shrines of Muslim saints. For the Hindus, these visits are not unusual; for this practice is basic part of their religion.
There is a distinctive difference between the spiritual approaches between the two communities. The Muslims, seek the spiritual intervention of the saint to plead to Allah on their behalf; while for the Hindu it is directly a form of grave worship.
The selective adoption of customs and traditions without diluting its inherent sanctities came about after the coming of Sufism amongst the Muslims and the spread of the Bhakti movement amongst the Hindus several centuries back

Urdu as Language of Muslims: In India it is perceived that Urdu and Arabic is the language of Muslims only. However it is nothing to do with Islam. A language is an important component of culture. Due to the long regime of Muslim rulers, Persion, Urdu and Arabic were resorted to as the core medium of official communication during Muslim rule. This over time was carried over forward by Muslims of north India. . Nevertheless, we have Muslims in different states of South India and East India where these languages seem to be foreign to them. Language comes from the environment and culture which is being evolved by the native of that geographical area. Despite the heavy influence of Persian on Urdu, linguistically, Urdu is not classified as an Iranian language (as is Persian) but rather as a wider Indo-Aryan language. Urdu enjoyed distinction as the preferred language in Persian courts of India and to this day retains an important place in literary and cultural spheres. Therefore the Muslim Indian who does not speak Urdu does not mean he/she fails to be classified as being a Muslim.

No Casteism in Islam: The casteism can be interpreted as a materialistic body-based system of designation that has turned out to be a tool for exploiting the people relegated to the lower social orders. It means that if you are born in a family of a certain classification, then you are of the same class, regardless of what else you may do. In casteism, birth is the determinative factor in deciding one's social standing. Casteism has fragmented the Indian society. It is being practiced by a large section of Indian Muslims as well, by promoting an upper caste and lower caste ideology. This practice is totally inconsistent with Islam, as it does not permit this differentiation .It is the cultural impact drawn out of the Hindu Vedic system. The caste-like features in Indian Muslim society is a blatant violation of the Qur'anic worldview. Islam preaches the concept of egalitarian society but the social practices many a time over power religion, gradually harming the real image of the faith.

Dress Code: There is no Islamic dress; only the codes of dressing up have been prescribed in Islam. It is categorically revealed that one should wear a dress which covers and protects the body and meets the requirement of modesty, honour and virtue. The particular dress should also be an expression of culture, elegance and beauty. The type of dress commonly worn in a society reflects the severity of climatic conditions. It also lends a sense of grace, elegance and culture to one’s personality. In India due to cross cultural adoption of values the dresses like a sari, pants, shirts, pyjamas, sherwani etc., are worn by Indians ,whether Muslim or Non- Muslim. Hence, using ornamental accessories like bangles, mangal sutra, ring in the foot finger or a bindi on the forehead by a Muslim woman cannot be classified as being un-Islamic as its all a part of Indian culture that varies from state to state.

Conclusively, it can be presumed that the way Indian Muslims practice Islam should not be misrepresented and misinterpreted in order to avoid giving a distorted vision of Islam in a multicultural environment. The researcher feels that the real spirit of Islam and its guiding principles need to be propagated and communicated by being a proactive player within the society itself. Islamic taste and temperament must penetrate the society through continuous interaction and communication incorporating an inclusive approach. The manners, etiquettes and values leading to a decent living should be integrated in every Muslim life style that has automatic impact and repercussions on the other members of the community.

Tools of Interactive Communication: Understanding and appreciating intercultural differences ultimately promotes clearer communication, breaks down barriers, builds trust, strengthens relationships, opens horizons and yields tangible results in terms of success.
Besides the teachings in the Qur’an, Muslims also believe that the Prophet led an exemplary life that all Muslims should try to replicate in their daily lives. These instances are illustrated in the hadith, the documented reports of the prophet’s life, which Muslims also rely on for spiritual and practical direction. The co-existence of a vast variety of faiths, some of which are quite different from one another, should not pose as a barrier to good social and professional relationship. Let us discuss some effective modes of achieving this objective of image building of Islam through an inclusive approach:

Community Based Organizations: The common platform should be shared freely with zero biased- ness by Muslims. They should never miss a chance to exhibit the true sense of Islam through their behavior. Sensitivity, tolerance and empathy should constitute the personality of a Muslim individual. They should take pride in being a knowledgeable, practicing Muslim and proactively share the thoughts and views of other members of the community and actively participate in their community social services.

Accessible Media: Exclusiveness of media will not attract the other community members. The available media should be used in a way that does not negate the socio-cultural values but still promote the manners, etiquettes and ethics of Islam with respect to every aspect of life. The views could be transmitted through portrayal of interesting slice of life, dramatization, cases etc. for example: In Islam “purity and hygiene are 50% of the faith” which is very contrary to the misconception about Indian Muslims being dirty and impure. Interactive media like website, video conferencing and mobiles could be used for inviting comments and then clarifying doubts immediately.

Health Clubs and Finishing Schools: It is only the physical health which ensures the proper functioning of human faculties of reason, morality faith, knowledge and wisdom. In fact, it helps developing the mind and rational thinking. Eventually, it becomes a pre-requisite of subliminal act of morality and delivery of religious values. In order to perform good deeds in life and discharge responsibility towards the community and the nation, the believer of Islam should have good health, sturdy intellect, sound mind, strong will, high morale and life full of zest and passion. One can make one's life well and productive for every one, if one could engage the community members to learn about the manners and etiquettes as regards to health, dress, eating and drinking, sleeping and getting up, posture and gesture, travelling, mourning and grief, fear and panic , celebrating etc .in the light of guidance extended by the Quran and Hadith. The products of this setup will automatically promote and propagate Islamic values in a natural way, giving rise to a dynamic and a livable society.

Practicing Business and Social Ethics: The two important constituents of decent and well-brought–up living are business and social ethics. They are not only for the same community rather encompasses the members of other communities as well. It is nothing to do with the religion and faith of the person you are coming across. In many of the regions of India, conversion was due to the strong business and ethical values having been followed by the Arab traders.
Business Ethics: Some of the business ethics are:

- Earn a living by your own and do not live as a parasite on others.
- Carry the business in right earnest
- Promote the business by truthful means
- Strictly avoid swearing falsely in the name of God
- Do not turn the lawful earnings into unlawful by supplying defective goods or by indulging in profiteering.
- Develop trust among the customers by giving honest advice.
- Do not hoard foodstuffs in anticipation of a price hike
- Be honest in weight and measures.
- Work hard and demand hard from the employees and fulfill the required obligations towards them selflessly.

Social Ethics: Some valuable ethics are**:**

- Treat your parents well to make God happy with you in view of their self-sacrifices, unmatchable devotion, deep affection and love.
- Fulfill the contracts and promises made by your parents. Have good conduct with their relatives
- Thank God for the child that he has given to you for rearing and nurturing into a good human being. The killing of a child before or after birth is an act of extreme cowardice and cruelty.
- Value your guests and you do not stay as guest for more than three days unless desired by the host.
- Interact with an open heart and greet everybody, never talk ill of others, visit patients and pray for them.
- Be good to your neighbours , travelers and beggars.

The social and business ethics of Islam clearly indicate that Islam's main objective is to recognize the rights of every one in a specific capacity and role with sensitive attitude and concern. It greatly emphasizes the recently identified component of complete personality as social intelligence for years together.
Ultimately ,the researcher deduces that Muslims should present a good practical model of character before the other communities. It's the life style and mixing up with other community members in a balanced way, may serve as a mute, permanent and perceptible attribute for the others. Thus, there is a strong need to experiment with these interactive tools as intervention techniques for building up and enhancing the image of Islam in India and the world as well.

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Islamic Spirituality and Organizational Commitment: Case of a Malaysian Organization

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Research Problem

Most research on organizational commitment was conducted in the western value systems which generally focus on America and Europe perspectives. There are insufficient studies from other socio-cultural and religious contexts especially from the Islamic perspectives. Only few studies tried to explain organizational commitment through the Islamic perspective window.

Yousef (2000) found organizational commitment and job satisfaction as predictors of attitude towards organizational change in a non-western setting. Yousef (2001) identified Islamic work ethic as a moderator between organizational commitment and job satisfaction in a cross cultural context. Hashim (2009) argued that Islamic approach on the management of human resources isrelated to organizational commitment. Although these studies have explained Islamic perspective but there is still room for further research with respect to utilization Islamic concepts on organizational commitment dimensions explained by Allen and Meyer (2000) which are Affective, Continuance and Normative. The organizational commitment concepts and its antecedents as held by contemporary western researchers may not adequately fit the Muslim world- views. This is the main issue for which this study seeks to address, by integrating western concepts and the Islamic values and propose those which serve to fit the Muslim world-view.

This study is to fill the gap by attempting to develop and present new knowledge through the finding from an in-depth study of important issues pertinent to organizational commitment from Islamic perceptive. This study will focus more on integration of the western organizational commitment concepts and Islamic concepts and present an alternative organizational commitment construct that represents the Muslim world view. The research also sets a pioneering role into determining the antecedents of organizational commitment from the two major sources of Islamic knowledge namely Al-Quran and the Sunnah, which when followed is expected to result in higher levels of outcomes.

Research objective

The main objective of this research is:

To Study, integrate and propose organizational commitment model that is in line with the Islamic world view, by linking the current western organization commitment concept with the Islamic concepts.

The specific objectives of this study include:

1. To investigate the relationship between the Islamic Spirituality dimension of Taqwa and organizational commitment.

2. To investigate the relationship between the Islamic social responsibility dimension of Taqwa and organizational commitment.

Research Questions

The inquisitiveness of this study revolves around finding the relevant answers to the main question:

What are the factors that contribute to organizational commitment from Islamic perspective?

To answer the above mentioned main research question, the study also needs to find the answers to specific questions i.e.

1. What is the relationship between the Islamic Spirituality dimensions of Taqwa and continuance commitment?

2. What is the relationship between the Islamic social responsibility dimensions of Taqwa and continuance commitment?

Scope of the study

The current study attempts to investigate how the Taqwa attributes and manifestations as mentioned in the Quran and the Sunnah (sayings and actions of Prophet Muhammad (Peace be Upon Him) can be operationalized in contemporary research to enrich the understanding of the continuance organizational commitment phenomenon from Islamic view point.

The study is focused on Al-Quran as the main source of Islamic value of Taqwa and another source is the Hadiths which is the teaching of Prophet Muhammad (Peace Be Upon Him).Ibn Kathir (2000) stated that, Allah mentions Taqwa in Quran and provided its descriptions and characteristics in various places in Quran to encourage Muslims to work towards achieving the Taqwa and operationalizing it throughout the daily activities, due to the inherent goodness embedded in it.Continuance organizational commitment phenomenon is taken from Meyer and Allen (1997).

Significance of the study

The current study tried to fill the gap in the literature by attempting to develop and present new knowledge through the findings from an in-depth study and important issues pertinent to organizational commitment concepts and Islamic concepts and present an alternative organizational commitment construct that represents the Muslim world view. The research also sets a pioneering role in determining the antecedents of organizational commitment from two major sources of Knowledge; Al-Quran and Sunnah. By instilling the Islamic values into the organizational scholars and professionals, this could lead to attaining high ethical and moral values of employees which in turn are able to control undesirable behaviors (corruption, disobedience, greed, absenteeism, etc.) of employees that have direct relationship with the organizational performance and effectiveness. In addition, non-Muslims professionals and employees can also take relevant initiatives in this regard; particularly the research findings may provide new insights to the people of other faiths in proper understanding of Muslim employees' values and expectations.

Literature Review

Organizational Commitment

Allen and Meyer (2000, p. 286) mentioned that "of the several work attitude variable studied by organizational psychologists, only job satisfaction has received more research attention than organizational commitment. Organizational commitment in general is a stabilizing or obliging force that gives direction to behavior (e.g. restricts freedom, binds the person to a course of action)". In general, there are two dominant concepts on organizational commitment. First is an employee's loyalty towards the organization and second is an employee's intention to stay with the organization.

Commitment is considered as psychological bond. Allen and Meyer (2000)mentioned three different commitment components, namely: Affective (affective attachment to the organization), continuance (perceived costs associated with leaving the organization) and normative (feelings of obligation to the organization). All the three components have straight forward implications for remaining in the organization. The stronger the commitment, the stronger the intention to stay, but the nature of each mind-set differs from the others. Affective commitment arises as the employee wants to remain in the organization. Normatively committed employees remain because they feel they ought to and those with strong continuance commitment remain they feel they have to.

In the current research the authors will only focus on the continuance commitment as this is towards the employee's intention to stay with the organization. In addition to that, Allen and Meyer (1996, 2000) argued that employees with strong continuance organizational commitment will feel the tendency to contribute to the organization beyond what is needed to keep their jobs. In addition, if continuance commitment is the primary tie that bonds employees to the organization, this kind of attachment may lead to undesirable work behavior (Allen & Meyer, 2000)

Continuance commitment develops when the employee recognizes that he/she stands to lose investment in the organization, or perceives that there are no alternatives other than to remain in the organization. According to Rego, Leite, Carvalho, Freire, and Vieira (2004) potential antecedents of continuance commitment include age, tenure, career satisfaction and intention to leave. Age and tenure can function as predictors of continuance commitment; primarily because of their roles as surrogate measures of investment in the organization. Age has inverse relationship with the opportunity of alternative job available in the market. Tenure indicates the non-transferable investments (e.g. relationship with coworkers, retirement investments, career investments and technical skills to the organization). Career Satisfaction in the continuance context is more to career-related investment(Rego et al., 2004).

In general, positive employee perception leads to improved employee motivation, which leads to higher organizational commitment. Many factors can influence the employee perception, but upbringing, race and religion are key factors to improve the commitment among employees. This research focuses on how religion affects organizational commitment as religion is an important aspect in Muslim employees' life.

Organizational Commitment and Islamic perceptive

Since Islam considers work as an essential element of mans' success in his life, therefore, Islam encourage individual to work and seek excellence and perfection. The employees are expected to work with full capacity and commitment in order to achieve the excellence and success for themselves as well as for society and utmost important is for hereafter (Yousef, 2001).

Several studies on the influence of Islam in organization have been conducted and focused on Islamic work ethics on organizational outcomes such as commitment, satisfaction and loyalty(Ali & Al-Kazemi, 2007; Yousef, 2000, 2001). The studies on organizational commitment in Islamic context are rare and do not sufficiently capture the Islamic world view, which tends to shape the behavior of Muslim in their conducts throughout their activities.Yousef (2000)argued that organizational commitment and job satisfaction works as predictors towards organizational change in a non-western setting. Yousef (2001) also argued that Islamic work ethics acts as a moderator between organizational commitment and job satisfaction in a cross-cultural context. Hashim (2009) argues that Islamic approach in human resource management was highly correlated to organizational commitment.

Mohsen (2007)developed the relationship between Islamic leadership and organizational performance. Islamic leadership was operationalized through the concepts of Taqwa (Islamic Spirituality and Social responsibility).

Concluding the above discussion the current study hypothesize the concept of Taqwa serves as the antecedent of organizational commitment in an absolute sense, i.e. with which Muslim employees in particular will have high propensity to exhibit their commitment in organizations regardless of social, economic or cultural backgrounds.

Taqwa

Islam is founded on the absolute belief in Allah the Almighty. At the core of this belief is Taqwa. Taqwa is an important matter for our happiness in this life and hereafter that Allah mentions it in two hundred and fifty eight verses of the Al-Quran and provides many directives on how to attain Taqwa. In short, Allah wants Muslims to have Taqwa at every stage of their lives, worship, in their belief and actions with every breath Muslim take.

Mohsen (2007) found that the elements of Taqwa can be divided into two significant dimensions: the relationship of an individual to Allah and the relationship or act of an individual with people or environment for the sake of Allah.

Following Mohsen (2007) the current is taking two dimension of Taqwa which are Islamic Spirituality and Islamic Social responsibility. The theoretical definition of Islamic spirituality is "the responsibility of one's self towards Allah" and Islamic social responsibility is defined as "the activities that Muslims do at all places and times in organizations, in ways that are in line with Islamic teachings and principles, such that one constantly strives towards seeking the pleasure of Allah and His Guidance" or "Islamic social responsibility is defined as anything that Muslims do in organizations that bring about mutual respect, mutual coexistence and development of mankind, the organization and us"

The Islamic spirituality dimensions consist of three elements, namely: Rituals (which consist of the mandatory requirements by all Muslims, i.e. prayer (solat), Zakat, Haj, fasting and belief (Iman). These items are grouped under Rituals (Ibadan).

Islamic social responsibility consists of eleven elements namely: patience, emotional control, forgiveness, Sadaqah, justice, integrity, *fulfillment of covenant, *Guarding chastity, *truthfulness, *love of family, *sincerity (Ikhlas).

Methodology

Theoretical Framework

In the light of the literature review, the following theoretical framework has been developed. The basic preposition of this framework is that, in any individual especially in employee perspective, his or her intensity of Taqwa makes the person wants to stay and commit with the organization.

The dependent variable continuance organizational commitment is adapted from Allen and Meyer (1996) work on organizational commitment. The independent variable Taqwa is operationalized following Mohsen (2007) and is divided into two dimensions, firstly; individual spirituality consisting of three core elements namely; Iman or belief, Ibadah or Rituals and Taubah or Repentance. Second is employee responsibility toward his society and environment or Islamic social responsibility, which has 11 core elements, six are adopted from Mohsen (2007)which are Patience, Justice, integrity, emotional control, Sadaqah, forgivenessand rest five core elements, namely: fulfillment of covenant, guarding chastity, truthfulness, love of family, sincerity (Ikhlas) are included by the authors from the review of Al-Quran and hadiths.

Hypotheses

In order to answer the research questions purposed earlier in this study and to analyze the theoretical model two main alternative hypotheses have been developed

H1: Islamic spirituality is positively related with continuance organizational commitment

H2: Islamic social responsibility is positively related with continuance organizational commitment

Sample

The sampling frame of the current study consists of 2093 employees of Lembaga Tabung Haji. From this sampling frame, sample was drawn using Gay and Airasian (2003)suggestion that for descriptive research the sample should be between 10-20% of total population. Therefore following Gay and Airasian (2003) 255 questionnaires were sent, 240 were received back in which 230 were usable**,**so the overall response rate was 90% responses where collected from the Lembaga Tabung Haji**.**

Lembaga Tabung Haji was selected for the current study because the constitution of this organization was formulated according to Islamic practices and employee's attitudes are formed according to norms and values mentioned in the constitution of the organization, secondly all the employees are Muslims. In order to ensure effective distribution and collection of the questionnaire, the Human resource department was involved and questionnaires were distributed through email handled by Human resource department. The profile of the respondents can be seen in the Table 1.

Table 1 Respondent Profile

Position	**Frequency**	**Age**	**Frequency**
Clerical	58	26-30	31
Supervisor	76	31-40	66
Executive/Assistant Manager	74	41-50	93
Manager/GM	22	50 and above	40
Education	**Frequency**		
Certificate	115		

Diploma	34	**Department**	**Frequency**
Bachelor Degree	72	CEO Office	4
Master/PhD	9	Deposit Dept	131
Gender	**Frequency**	Hajj Dept	3
Male	155	Finance Dept	14
Female	75	Investment Dept	8
Experience	**Frequency**	Admin and Property Dept	34
Less than 1	9	IT Dept	19
2-5 years	26	Human Resources Dept	9
6-10 years	53	Corp Finance Dept	8
11-15 years	31		
15 years and above	111		

Instrument

The instrument of the current study was divided into three parts. The first part of questionnaire was regarding the measurement of Taqwa and respondents were asked to rate how often they do they perform such practice on a scale of 1-7, where 1 represent never and 7 represent always. Second part of the questionnaire inquire respondents regarding Continuance organizational commitment, the responses where measured on 1-5 likert scale. Where 1 represent strongly disagree and 5 represent strongly agree. The third part inquiries regarding the demographics of the respondent and question include such as age, gender, experience, department, education level, division and region in which they work. In order to measure Taqwa, the current study adapts and expands the instruments develop by Mohsen (2007) in the managerial context and focusing on leadership. Since Taqwa is an Islamic concept therefore it was constructed based on the Al-Quran verses and the Hadiths of Prophet Muhammad (PBUH) in Organizational setting. The specific sources for the items in the questionnaire are based upon ten verses in Al-Quran. In order to measure Taqwa the 64 items were included in the questionnaire, in these 64 items, 17 items measure the Islamic spirituality and rest 29 items measure Islamic social responsibility.In order to measure the Continuance organizational commitment, items were adapted from the handbook of organizational measurements (Price, 1997).

Since items in the questionnaire were adopted and adapted from different sources and some are self-constructed. Therefore face and content validity was conducted on all the measurements. The scale items were screened by two experts from the field of strategic management and three practitioners in Islamic studies. The comments and suggestions were considered in improving the questionnaire. The items in each construct were edited through perusal and pilot test by ten employees of Lembaga Tabung Haji.

Since the employees of Lembaga Tabung Haji prefer Bahasa Malaysia as compare to English. Therefore the original scale which was developed into English was translated into Bahasa Malaysia by National Translation Institute of Malaysia and was validated by translation-back-translation by the same institute representatives so as to ensure that both versions are equivalent (Brislin, 1970).

Results

Analysis Method

The data was analyzed using the statistical package for social science (SPSS) version 18. Descriptive analysis was performed to describe the demographic variables. Factor analysis was performed so that items in each variable can be reduced and smaller number could capture and explain the phenomena understudy. Cronbach's alpha was performed to measure the internal consistency of the instrument. Correlation was performed to check the relationship between independent and dependent variables. Multi-regression was performed to capture how much independent variables manipulate the dependent variable. In addition to that assumptions of the regression analysis were checked so that results are not misleading and results interpretation can be done with greater confidence.

Factor analysis

Factor analysis was conducted to summarize correlation patterns among variables so that a smaller number of items could represent the variable(Hair, Black, Babin, Anderson, & Tatham, 2006). A principle component analysis with Varimax rotation was used to examine the factors structure of all variables. Since the sample size is 230 and in accordance with Hair et al. (2006)each item should load .50 or greater on one factor and .39 or less on the other factors. The results of factor analysis are summarized in Tables 2, 3 and 4.

Table 2 Factor Analysis of Islamic Spirituality (IS)

IS	Item	Rituals	Repentance	Belief

1	I inspire my-coworkers to fast and breakfast collectively	0.789		
2	I encourage my co-workers to pray together at work	0.785		
3	Whenever possible, I encourage my co-workers to visit the prayer rooms for prayers	0.716		
4	when I am confronted with competing alternatives in decision making, I perform Istikhara prayer	0.656		
5	I practice optional fasting	0.652		
6	I apologize for my mistakes when I realize them at work		0.876	
7	I ask forgiveness from my co-workers that I have wronged		0.772	
8	I deal with co-workers with justice and generosity		0.686	
9	I stay away from haram acts in my work to avoid Allah's Divine Wrath		0.643	
10	I do my best to perform all five prayers regardless of how busy I am			0.782
11	I supplicate Allah whenever I face difficulty in my work			0.73
12	I ask Allah to help me when I make important decisions at my work			0.629
13	I direct my dedication to Allah alone			0.612
	Eigen value	**4.673**	**1.98**	**1.109**
	% Variance explained	**35.943**	**15.234**	**8.528**
	KMO MSA	**0.823**		

Table 2 shows the factor analysis results after omitting the items which have cross loading on both factors from rotated component matrix that have weightage of almost the same in each factors. After deletion of four items, MSA value is 0.82 and three factors emerged with eigenvalue greater 1.0, explaining 59.7% of the variances with all items loaded in the range of 0.88-0.61. All items included in the extracted factors were derived from the same theorized dimensions, thus they would be awarded the name as the theorized dimensions, rituals, repentance and belief respectively.

Table 3 Factor Analysis of Islamic Responsibility Variables (ISR)

ISR	Items	Sincerity	truthfulness	integrity	Emotional Control
1	I take my Co-workers' ideas (R)	0.873			
2	I manipulate my co-workers (R)	0.831			
3	I act against my co-workers (R)	0.807			
4	I burden my co-workers with workloads (R)	0.794			
5	I meddle in my co-workers' personal affairs (R)	0.756			
6	I use organizational resources for my personal use (R)	0.745			
7	I speak negatively of my co-workers behind their back (back biting) (R)	0.704			
8	I easily get angry for minor reasons (R)	0.691			
9	I encourage my coworkers to be honest		0.82		
10	I am not afraid to tell the truth		0.807		
11	I tend to be more forgiving with my co workers		0.754		
12	when I promise my co-workers, I fulfill my promise			0.829	
13	I abide by agreement I make with my co-workers			0.82	
14	I mind to see a co-worker not being honest			0.754	
15	when a co-worker hurts me, I reciprocate with kindness				0.906

16	I forgive my co-workers even if they hurt me on purpose				0.878
17	I help my Coworkers who need help				0.522
	Eigen value	**5.168**	**3.995**	**1.248**	**1.079**
	% variance explained	**30.399**	**23.5**	**7.338**	**6.346**
	KMO MSA	**0.845**			

Table 3 shows the factor analysis results after omitting items which have cross loading (higher than 0.39) by deleting two factors or low loading (less than 0.50). After the deletion, MSA value is 0.85 and four factors emerged with eigenvalue greater than 1.0, explaining 67.6% of the variance with all items loaded in the range 0.906-0.522. Rotation converged after 5 iterations. The most items explained into the factor of Sincerity. Factor number two, three and four are derived from the same theorized dimensions, namely truthfulness, integrity and emotional control respectively.

Table 4 Factor Analysis of Continuance Organizational Commitment Variable (OC)

Organizational Commitment (OC)	**Items**	**Continuance**
1	If I had not already put so much of myself into this organization, I might consider working elsewhere	0.765
2	I feel that I have too few options to consider leaving this organization	0.767
3	It would be very hard for me to leave organization right now, even If I wanted to	0.631
	Eigen value	1.144
	% variance explained	10.403
	KMO MSA	**0.777**

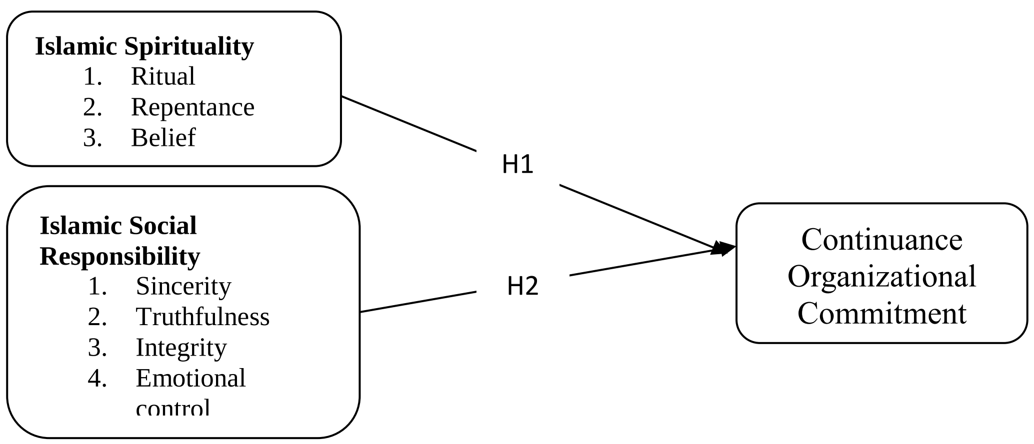
Table 4 shows the factor analysis results after omitting the items with double cross loading (more than 0.39) and low loading which is less than 0.50. After the deletion MSA value is 0.777 and three factors emerged with Eigen value greater than 1.0, explaining 59.3% of the variance with all items loaded in the range of 0.765-0.631.

Modified framework

Based on the factor analysis results the theoretical framework is modified as shown in the Figure 2. In general items reduction has been reached for all variables in addition to dimension reduction for Islamic social responsibility and organizational commitment.

Spirituality dimensions remained unchanged however, the number of items have been reduced from 17-13. The most modification was in the social responsibility variable where the dimensions were merged from 11 to 4 main dimensions and items from 29 to 17. Organizational commitment items were reduced from 18-11. Figure 2 below represents the modified framework.

Figure 1Modified Framework



Correlation Mean and Standard Deviation

The mean, standard deviation and correlation are presented in Table 5. For Islamic spirituality the mean ranges from 3.99 to 6.42 in this rituals has the lowest score. When Islamic social responsibility is considered the means ranges from 5.23 to 6.13 which are all towards the high end of the scale. The dependent variable continuance organizational commitment is at 3.6 means that employees are between slightly less agree to agree stage.

Table 5 Mean Standard Deviation and Correlation

		Mean	S.D	1	2	3	4	5	6	7	8
1	Rituals	3.99	1.13	(.796)							
2	Repentance	6.02	0.87	0.475**	(.819)						
3	Belief	6.42	0.66	0.380**	0.597**	(.717)					
4	Sincerity	6.13	0.91	0.014	0.127	0.028	(.903)				
5	Truthfulness	5.91	0.99	0.346**	0.578**	0.449**	0.155*	(.799)			
6	Integrity	5.59	1.1	0.232**	0.518**	0.366**	0.029	0.450*	(.777)		
7	Emotional Control	5.23	1.14	0.425**	0.572**	0.519**	0.074	0.507	0.439*	(.804)	
8	Continuance	3.62	0.91	-0.099	0.071	0.107	-0.133*	0.062	0.233**	0.269**	(.607)
**** correlation is significant at the 0.01 level (2- tailed) *correlation is significant at the 0.05 level (2- tailed)**											

Table 5 shows correlation between the variable from this table it can be infer that three of the independent variables have significant correlation with the dependent variable. Sincerity is negatively significantly ($r= -0.133$ $p< 0.05$) correlated with continuance organizational commitment. Whereas Integrity and Emotional control are significantly and positively($r= 0.233$ $p<0.001$ & $r= 0.269$ $p< 0.001$ respectively) correlated with continuance organizational commitment.

Regression Analysis

Seven independent variable rituals, repentance, belief, sincerity, truthfulness, integrity and emotional control were regressed on continuance organization commitment by controlling demographics variables. The results of the regression analysis can be seen in the Table 6.

Table 6 Regression Analysis

	b	beta	value	sig
Adjusted R2			0.182	
F			5.618	.000
Constant	3.605			
Rituals	-.191	-.238	-3.300	.001
Repentance	-.038	-.036	-.389	.697
Belief	0.18	.013	.163	.870
Sincerity	-.173	-.172	-2.792	.006
Truthfulness	-.064	-.070	-.882	.379
Integrity	.177	.215	2.891	.004
Emotional Control	.244	.307	3.720	.000

Dependent Variable Continuance organizational commitment

Results indicate that the total variation in the dependent variable “continuance organizational commitment” is explained by the independent variable is 18.2%. The model is statistically significant as the F value is significant at $p<0.001$ and has the value of 5.618. When individual relationships are analyzed the results indicates thatonly ritual in Islamic spiritually is negatively significantly related with continuance organizational commitment. Whereas for Islamic social responsibility out of four variables, three are significantly ($p<0.01$) related to continuance organizational commitment, in which sincerity is negatively related but integrity and emotional control are positively related.

Hypothesis Testing

H1: Islamic spirituality is positively related with continuance organizational commitment

The first hypothesis that the authors purpose in the current study is rejected because when we analyze the three sub hypothesis two of the sub-hypotheses are not are statistically significant whereas rituals which is significant but it is indicating a negative relationship with the dependent variable therefore we reject this sub hypothesis too.

H2: Islamic social responsibility is positively related with continuance organizational commitment

The second hypothesis of the current study is partially accepted because out of four sub-hypotheses two (integrity and emotional control) are showing significant and positive relationship with the continuance organizational commitment, whereas the sincerity is showing significant negative relationship. Based on the evidence, authors can conclude that, second hypothesis is partially accepted.

Discussion

Rituals

The element of rituals is negative but significantly related with continuance organizational commitment, perhaps due to the modest among Muslims. The activities like solat, fasting, zakat and Hajj can be seen, yet the intention is sacred. Thus the results may differ as expected since the elements of showing off (Riya') is not permissible. It is view as when the basic motive for worship is to be seen by others, such as one who stands and prays so that people will see him, and so that they will praise him for his prayers, will invalidates the act of worship. Lower results in rituals is in line with Prophet Muhammad (PBUH) saying "Allah has forgiven my *ummah* for what crosses their minds, so long as they do not act upon it or speak of it". Therefore respondent realized the importance of Ibadah in their daily life but the negative value is due to scare of *Riya'*.

Repentance

Repentance was found to have negative and non-significant relationship with continuance commitment. No one is perfect and it is expected to seek for forgiveness over flaws or shortcomings in daily lives. To admit his/her shortcomings also will put him at risk of being fired, therefore inverse relationship is expected between Taubah and continuance commitment.

Belief

Belief might be best approach as ways of "knowing" the divine and directs the believer towards the right behaviors and decisions. In order to remain in the organization and fear of the cost associated if one leaves the company, this belief (Iman) would guide him/her to work in the appropriate manner which would result in improving their satisfaction and gaining their commitment.

Sincerity

Sincerity shows negative significant relationship with continuance commitment. As explained by Muthuveloo and Rose (2005) that continuance commitment refers to commitment based on the costs that the employee associates with leaving the organization (due to the high cost of leaving). Potential antecedents of continuance commitment include age, tenure, career satisfaction and intent to leave. Age and tenure can function as predictors of commitment, primarily because of their roles as surrogate measures of investment in the organization. One pretend and not be sincere in the organization as long he/she can remain in the organization for the sake of "have too".

Truthfulness

Truthfulness was found negative and non-significant relationship with continuance organizational commitment. The reason can be due to the wariness of being fired or transferred to another company may led the employee for not be truthful to his/her superiors. Plus, sometimes truth hurts and this may jeopardize ones job in the organization.

Integrity

It is important to have integrity in the workplace because without it, there would be little reason for the organization to keep you. Integrity can be linked as perceived participatory management (extent to which employees feel they can influence decisions on the work environment and other issues of concern to them) play an important antecedent for this continuance commitment. This element is very much needed as the cost of being fired or leaving the company is the greatest fear for the employee.

Emotional control

Emotional control was found to be positive and significantly related to continuance commitment. This is synchronized with basic of continuance commitment where the person need to realized that costs that associates with leaving may give a great impact to his/her life, thus, emotional balance is needed as surrogate measure of retention.

Theoretical contribution

This research provides statistical evidence that Islamic spirituality/Islamic social responsibility and organizational commitment are related. As mentioned earlier, Al-Quran is the complete source of reference and this study can become an eye opener to relate the manifestations of Taqwa with the feelings of attachment and commitment with the organization work. Of course the relationships were indirectly mentioned in the Quran but there is no indicator of which factor (manifestation) is the most important and which is less important for business setting. This study empirically tested these concepts from Al-Quran and able to evaluate the organizational commitment framework theory among Muslim employees beyond its traditional boundaries to the Islamic perspective. Therefore this research pioneersthe attempt to bring the Islamic spirituality into business world by establishing its link to continuance organizational commitment.

Another contributionis development of the measurement of the independent variables, Taqwa and the utilization of Quranic knowledge as a reliable source for conceptualization of the notion and the development of the measurements. This research contributed towards the establishment of the comprehensive instrument to measure Taqwa in an area beyond its traditional Islamic perspective. Continuous replicating the usage of the instrument in a different setting may strength its validity.

Practical Implications

Every Muslim is accountable for his/her actions. Managers in Muslim organization must design a program to increase their employees' Taqwa in order to increase their commitment to the organization. Furthermore, based on the evidence provided by this study, appreciating Taqwa and its manifestations should be applied in the selection and promotional process in human resource management. The strength of belief and good character should be among the top parameters for talent sourcing and talent developing programs. Doing so would fill the gap in the current human resources practices which only consider the cognitive and technical skills as job requirement during talent sourcing. Indirectly, to instill the consciousness of Allah (Taqwa) simultaneously will be treated as talent retention program in talented management perspective.

Limitations

The first limitation faced while conducted the current study is the language barrier, as the questionnaire was developed in English and applied in Bahasa Melayu. The second limitation is related to the restriction of the data to one organization only. The third limitation is attached to the fact that spirituality is connected to some degree of personal life of the employee. The study of spirituality associated questionnaire was a self-administered instrument and it was performed in quantitative cross-sectional study. Being a new instrument, there could be weaknesses that need to be addressed.

Lastly and most importantly, the Prophet Muhammad (Peace be Upon Him) mentioned in a hadith that Taqwa is here (saying here while pointing to his chest three times, i.e. in the heart)" and has led us to belief that Taqwa as exemplified by the Prophet is a subconscious aspect of the human being rooted in the heart, and like other subconscious aspects, only Allah knows the reality and can judge the hidden aspects of it. This limitation is also in line with hadith of the Prophet Muhammad (Peace be upon him) says " we (human beings) can only judge based on the open actions of individuals (i.e. the manifestation, which can be readily seen and witnessed) and only Allah has the capability of knowing the reality of what is hidden in the heart". Therefore, as a limitation of this study Taqwa was subjected to empirical measurement and operationalization based on the characteristics of the Muttaqeen as outlined in the Quran to ascertain a rough measure of the manifestations of the Taqwa attribute which can assist towards enriching the understanding of the organizational commitment concept, and not the actual effectiveness and implicit nature of Taqwa of the respondents for which only Allah has knowledge of.

Suggestions for Future Research

In addition to rectifying the above limitations, it is suggested model should be tested in which Islamic social responsibility works as a mediator between Islamic spirituality and organizational commitment. The basic preposition of the model is that employees' level of Taqwa through Islamic spirituality makes the employees to improve the relationship with society/environment which will results in improving organizational commitment.

Secondly since all the independent variables are based on Tawid, therefore this framework is valid for Muslim employees only. But in Al-Quran Allah consider all human beings as equal and coming from one original source (Adam) and deserve equal treatment. Conducting comparative studies on various organizations which have mix of Muslim and Non-Muslim organization would be able to enhance the understanding of the Muslim spiritual values in the context of organizational commitment.

Conclusion

This study found that Islamic social responsibility (relationship with society/environment for the sake of Allah) has a significant impact on organizational commitment. On the other hand, Islamic spirituality is not significantly related to organizational commitment, but very significantly related with Islamic social responsibility. This this may suggest that Islamic Social responsibility as intervening variable between Islamic Spirituality and organizational commitment.

Rituals were only found to be related to continuance commitment while repentance and belief have no impact on organizational commitment. The element of integrity and emotional control are significantly related to organizational commitment. This study has successfully expanded Meyer and Allen (1997) theory of organizational commitment for Islamic worldview.

Overall the study had demonstrated that spiritual concept of Taqwa could be operationalized in empirical research. The Al-Quran is indeed an opulent and comprehensive source of knowledge for the present and hereafter.

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Yemeni Muslim Consumers' Perceptions And Attitudes Towards Asian Made Products

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Abstract
Purpose: The main purpose of the present study is to extend and consolidate knowledge about country-of-origin cue and its effects on product perception of consumers in less developed countries.
Approach: This research on Yemeni consumers employed an experimental design to measure the effects of country-of-origin on consumers' valuations of home appliance products made-in five selected Asian countries of origin namely Malaysia, Japan, Korea, Taiwan and China. Questionnaires were administrated personally to the respondents.
Findings: The results of this study based on 625 respondents found that Yemeni consumers preferred products made-in Japan, followed by products made-in Malaysia and Korea. However, they had low attitudes towards made-in China and Taiwan products. Some conclusions and managerial implications drawn from the findings of the study are provided.
Limitations: This study was conducted as a case study of one country in the Middle East area, which limits the external validity of its results. Other limitations are also discussed.
Originality: The paper offers some helpful practical implication for export-import managers wanting to do logistic application for home appliance products (HAPs) for Middle East markets.

Keywords Islamic Consumers, Country of Origin, product's attribute, consumers' attitude, purchase intention, Asian made products.

Introduction
The globalization of trade has resulted in a stream of research on the notion that information about country-of-origin (COO) influences consumers' product perceptions (Nebezahl et al., 2003). COO is the most researched international aspect of consumer behaviour (Tan and Farley, 1987; Heslop *et al*., 1998) and one of the most researched fields in international marketing (Ting and Balabanis, 2011). Despite the plethora of studies conducted on the subject, there is a lack of knowledge on the perceptions of Arab/Islamic consumers on foreign products. One of the most widely studied areas of international marketing has been the impact of COO on consumers' perception of products from both developing and developed nations (Samiee, 1994; Peterson and Jolibert, 1995). More than 400 academic (peer-reviewed) articles have been published over 40 years, with a great deal of diversity of consumers surveyed (Usunier, 2006). COO research has concentrated on the examination of consumer product perceptions and/or attitudes towards products made in different countries based on a variety of intrinsic or extrinsic cues.
Consumers in different countries have different perspectives on product evaluation. Some consumers value quality of products and trust brands, which they consider have good quality regardless of the price. Others are concerned about the price of the products. Yet, there are some who might be attracted to the advertisement, warranty or promotion of the products. These issues, however, have not been clearly identified in terms of empirical validation and are subject to further study. This is because almost all the research on purchasing behaviour have focused on consumers in developing and developed countries. It is rare to see empirical studies in this area carried out in less developed countries (Hamin and Elliott, 2006). Al-Sulaiti and Baker (1998) reported that the majority of studies in the field of COO have been conducted in Western cultures. Researchers have thus called for more research in non-Western cultures, especially in less developed nations. The wide period of literature review by Dinniel (2004) reported that there is a distinctly bias approach taken to studying the COO phenomenon, with a limited range of countries studied as COO cues. Most COO research has been done with only a few countries represented as countries-of-survey. Overall, there are 583 hypothetical country-of-origin; many countries were considered several times, some of them in only one research piece (Usunier, 2006).
The aim of this study is to explore how COO influences product evaluation of consumers in Yemen, which is considered a less developed country, and to measure the perception and attitude of Yemeni consumers towards home appliance products (HAPs) made in five Asian countries (Japan, China, Malaysia, Korea and Taiwan).

Overview
Country of Origin
Over the last four decades, the rapid growth in international trade and the development of global markets have been accompanied by a significant increase in interest towards the nature of competitiveness. Among the many factors which are believed to have an impact on international competitiveness, COO effect has attracted growing attention. The earliest research in the area of COO was conducted by Schooler (1965). He found that the differences in the evaluation of products were identical in all aspects except for COO. This discovery was followed by a stream of research within the field and nearly half a century later, is still a relevant topic where new findings are made. Researchers and marketers have extended the study on COO effect even more widely today. COO has been studied from a single cue to multiple

cues, hybrid products and is represented as a stereotype of their country and products (Chao, 1998). In 1999, Verlegh and Steenkamp pointed out that despite a large body of research; COO effects are still poorly understood.
Several researchers have attempted to explain the psychological process of COO effect. Among them are Erickson et al.'s (1984) belief-attitude model with image effect; Johansson et al.'s (1985) COO information affects the belief-attitude relationship model; Han's (1989) halo model and the summary construct models; and Obermiller and Spangenberg's (1989) cognitive, affective and normative process model. The most recent is the flexible model by Knight and Calantone (2000).

Country of Origin Effects
Different researchers have studied the effect of COO from different perspectives. Okechuku (1994) suggested that COO effects appear to be product specific, while other researchers found that the effects of COO on product evaluations vary with the technical complexity of the products (Kaynak and Cavusgil, 1983; Samiee, 1994). The degree of availability, familiarity, and perceived serviceability of foreign versus domestic products (Han, 1990; Parameswaran and Yaprak, 1987), the beliefs held by consumers about the appropriateness of purchasing foreign-made products, i.e., the degree of "consumer ethnocentrism" (Han, 1990; Shimp and Sharma, 1987), and the perceived level of economic development of the source country (Schooler, 1971; Wang and Lamb, 1983; Okechuku, 1994). Product evaluations also vary with the degree of similarity to the home country's economic, cultural and political systems to those of the foreign country (Wang and Lamb, 1983; Crawford and Lamb 1981), preference for products made in some countries more than others (Cattin et al., 1982; Papadopoulos et al., 1987; Schooler, 1965). Products made in different countries and the level of economic development of those countries (Lumpkin et al., 1985). COO effects was found to vary across different product categories (d'Astous et. al., 1993; Kaynak and Cavugil, 1983), the product life cycle (Niss, 1996), and meta-analysis of COO effect (Peterson and Jolibert, 1995; Verlegh and Steenkamp, 1999). Morello (1984) found that significant COO does exist and affects consumers' purchase behaviour.

Consumers' Attitudes
Consumer attitudes towards foreign products and the corresponding marketing practices in a global marketplace have been one of the more extensively studied topics in COO literature (Bannister and Saunders, 1978; Erickson et al., 1984; Gaedeke, 1973; Han and Terpstra, 1988; Johansson et al., 1994; Lumpkin *et al*., 1985; Nagashima, 1977; Papadopoulos et al., 1987; Schooler, 1965). The interest in the subject is not surprising since consumer attitudes towards foreign products and associated marketing efforts are believed to have a great influence on purchasing behaviour (Darling, 1981; Samiee, 1994). This perspective is important for managers in determining successful marketing strategies for international markets that are proving to be aggressively dynamic in terms of competition. The hierarchy of effects may be consuming country-specific. Studies have found that respondents from certain consuming countries have different attitudes towards products from a given source country than did respondents from other consuming countries, for example, Nagashima (1970) for US and Japanese; Cattin et al., (1982) for US and French respondents; and Bhuian (1997) for Saudi.
Some studies supported the hypothesis that knowledge of country of origin affected consumer attitudes towards products (Darling and Kraft, 1977; Johansson et al., 1985; Ahmed and D'Astous, 2002). Researchers like Erickson, et al., (1984) and Han (1989) found that country-of-origin affects the beliefs but not attitudes and the image variables also affect beliefs through inferences made by consumers. Erickson, et al. (1984) also indicated that the effect of image variables on attitude was not direct; any influence they have appeared to be a secondary one acting through beliefs. As mentioned earlier in the previous sub-section, Han (1989) suggested that consumers can use country image for product evaluation either as a halo construct or/and as a summary construct. He argued that country image may be conceptualised as a consumer halo and designed a study to address the role of country of origin image in consumer choice behaviour across the USA, Japan and South Korea.
While a lot of research has been done in the field of product country image and country of origin, very little is known regarding the attitudes of people towards products from different countries and how they develop these attitudes (Papadopoulos and Heslop, 1993). This research looks at the impact of country-of-origin on Yemeni consumers' attitudes towards products labelled Made-in Asian countries (Japan, China, Malaysia, Korea, and Taiwan).

Arab/Islamic Consumers and COO Effects
The total population of all Arab countries is 339 million. According to the International Monetary Fund's World Economic Outlook Database 2008 report, the gross domestic product (GDP) of all the Arab countries had reached 2,340,427 in the year 2007. Only a few studies had investigated the effect of COO on Arab consumers' attitudes. The first study by Yavas and Secil (1984) found that Saudi consumers do not have any strong negative biases against the made-in UK label. Equally important, the made-in UK label does not enjoy a strong positive image either. Among Saudi consumers surveyed, the made-in UK labels were found to elicit a negative price bias. Yavas and Alpay (1986) examined the Bahraini and Saudi consumers' attitudes towards products made-in several countries and the results revealed that consumers in both countries evaluated made-in Japan labels we the highest, while made-in Taiwan labels the lowest. Badri et al., (1995) examined the COO stereotyping by business people in the Gulf States of the Middle East. The main result of this study indicated that COO stereotyping was present in those Gulf States, with evidence that Japan, USA and Germany as the most favoured countries of origin. Bhuian (1997) found that Saudi consumers have the most positive attitudinal response to products and marketing practices of the US and Japan. Al-Sulaiti and Baker's (1997) research on the service sector investigated Qatari consumers' perceptions and selections of domestic vs. foreign airline

services and found the effect of COO on intention. Aboulnasr (2007) investigated the enduring involvement with products in consumers' evaluation of foreign made products and the result revealed that consumers who were highly involved with the product category used attribute information to form their evaluation, while less involved consumers relied more on the COO cue to form their product quality evaluation.

Methodology

Data Collection

Data was collected through a questionnaire adapted from well-established research instruments (Rhee, 2008). Questionnaires have the advantage of obtaining data more efficiently in terms of research time, energy and costs. Given that the final sample of this study consists of non-English speakers (Yemeni Household), translation and back-translation of the instrument was done. The questionnaire was carefully translated into Arabic to ensure that the meaning was consistent with that of the original. The resulting translation was validated by marketing professionals and a pre-test survey. The questionnaire was administrated personally using face-to-face and drop and pick up method based on respondents' situation in order to improve the response rate. As Sekaran (2003) stated, personally administrated questionnaires can establish rapport and motivate respondents whilst at the same time clarify any doubts immediately. The research survey which was carried out in 2007 took four months (from April to July) due to the wide geographical distance from one city to another. The principal researcher together with trained students from Yemeni universities and sales people distributed copies of the questionnaire to the households and carried out interviews across six urban cities in Yemen namely; Sana'a, Aden, Taiz, Ibb, Al-Hudaydah, and Hadhramout. One thousand and ninety five (1095) copies of the questionnaire were distributed to the household sample unit. Six hundred and twenty five (625) answered questionnaires were usable from 747 which were returned by the respondents. The data were subsequently coded and all the responses from each household were keyed into the computer software SPSS 15 Windows version.

Measures

COO Evaluations: COO is a component of product stereotypes of consumers' perception on both products and products' country of origin. Three items "positive, favourable, and good" developed by Zeynep and Durairaj (2000) were adapted to measure consumers' general evaluation of home appliance products made in the five selected Asian countries using a five-point Likert scale rating from extremely disagree (1) to extremely agree (5).

Consumers' Attitudes: The respondents were requested to express their feelings about the HAPS made in the selected five Asian countries. The questionnaire used items which were developed by Martin and Stewart (2001) and Hastak and Olson (1989). The consumers' attitude towards product concept is measured by a five-point Likert-scale rating from strongly disagree (1) to strongly agree (5). For the following statements: (*a*) *I think HAPs made in -------- are of high quality.* (*b*) *I think the category of HAPs made in --------is favourable.* (*c*) *I believe that the HAPs made in --------offers benefits to the consumers.* (*d*) *I like HAPs made in --------very much.*

Perception of Product Attributes: Eight items with five-point Likert scales were used in this study to measure consumers' perceptions of product attributes towards home appliance products made in the five selected Asian countries. The eight questionnaire statements were adapted from Nagashima (1970, 1977), Han and Terpstra (1988), Heslop and Papadopoulos (1993). These criteria were used by other researchers in area of COO such as Weber and Crocker (1983), Zeynep and Durairaj (2000), and Chéron and Propeck (1997). The criteria are: (*a*) *very good design*, (*b*) *innovative*, (*c*) *fashionable*, (*d*) *less electrical consumption*, (*e*) *very good performance*, (*f*) *easy to operate*, (*g*) *durable*, (*h*) *Reasonable price*.

Purchasing Intention: Six questionnaire statements are used to figure out the purchase intention of the Yemeni consumers from five selected Asian countries of origin. These statements were developed by Kelien et al. (1998), Martin and Stewart (2001) and Yi et al. (2004) scales items. The respondents were asked to express their purchasing intention behaviour whether they agreed or disagreed with each of the statements based on a five-point scale, from 1 "extremely disagree" to 5 "extremely agree." The statements are: (a) *consider to purchase*, (b) *will purchase*, (c) *will never hesitate to purchase*, (d) *definitely purchasing*, (e) *proud of owning*, and (f) *glad to recommend others to purchase such products*.

Validity and Reliability

Validity: Content validity test was conducted to ensure that the measure includes sufficient coverage of the questions investigated (Cooper and Schindler, 2003). Meanwhile, face validity was done to validate the items in the research questionnaire and to ensure that the items were consistent with previous theory based questionnaire designs. Since this study was applied for the first time in the Yemeni market, a pre-test was conducted to ensure the research validity and seek validation for the research questionnaire. Factorial validity was also conducted to enhance the measurements validation. It is worth mentioning that the factor analysis Kaiser-Meyer -Olkin (KMO) measure of Sampling Adequacy and Bartlett's test of Sphericity were conducted to assess the suitability of the data for factor analysis.

Table 1: Factor Analysis for Factorial validity

	Factor Matrix
COO evaluation	
The evaluation of HAPs made-in--------- is good in general	.957
The evaluation of HAPs made-in--------- is positive in general	.957
The evaluation of HAPs made-in--------- is favourable in general	.947
Eigenvalue	2.73
% of variance	91.0
Consumers' Attitudes	
I think HAPs made in ------ are high quality.	.952
I think the category of HAPs made in ------ is favourable	.957
I believe that the HAPs made in ------ offers benefits to the consumers.	.936
I like HAPs made in ------ very much.	.935
Eigenvalue	3.574
% of variance	89.3
Product Attributes	
Home appliance Products made-in----- are very good design.	.859
Home appliance Products made-in-----are innovative.	.882
Home appliance Products made-in----- are fashionable.	.822
Home appliance Products made-in----are less electrical consumption.	.600
Home appliance Products made-in----- have very good performance.	.894
Home appliance Products made-in-----are easy to operate.	.577
Home appliance Products made-in-----are durable.	.871
Price of the home appliance products made-in----are reasonable.	.619
Eigenvalue	4.82
% of variance	60.3
Consumers' Purchase Intention	
I will consider purchasing from….	.913
I will purchase Home Appliance Products made in ……….	.928
I will never hesitate to buy home appliance product made in………..	.924
Definitely I would purchase home appliance products made in …….	.931
I am proud to have my own home appliance product made in…….	.921
I will be glad to recommend others to purchase product made in …	.919
Eigenvalue	5.109
% of variance	85.15

High values for variables of COO evaluation, consumers' attitudes, product attributes and purchase intention were .0774, 0.873, 0906 and 0.904 respectively for the Kaiser-Meyer -Olkin Measure of Sampling Adequacy which indicates that the proportion of variance in the variables are caused by underlying factors thus allowing for the application of factor analysis. This is supported by the Bartlett's test of Sphericity value of 0.00 that is less than 0.05 thus proving that the analysis is significant. For the overall variables the KMO scored .888 and the Bartlett's Test of Sphericity was shown to be significant with value less than 0.05 which means that the sample was adequate and the suitability of the data for factor analysis. The result of the factor analysis test shows that the proportion of variance accounted for in each item. Since all of the values obtained are more than 0.4, the extraction communalities using principal component analysis for this solution are acceptable. COO evaluation and consumers' attitude each variable loaded on one factor and all loadings were greater than 0.40 (see Table 1).

Reliability: A five-point Likert scale with a minimum score of 1 to a maximum score of 5 was used, with a sample size of N= 625. The set of three COO evaluation statements had a Cronbach alpha coefficient of .95, the set of four consumer attitude statements had a Chronbach alpha coefficient of .96, the set of six purchasing intention (PI) statements had a Chronbach alpha coefficient of .97. The Chronbach alpha coefficient for the set of product attributes (PA) was .90. The average Cronbach alpha coefficient was 0.89 and reached the minimum value of .70, as suggested by Nunnally (1978). Therefore, all reliability results obtained for the stated research measures were consistent with the Cronbach alpha coefficient value of previous findings on marketing and COO studies.

Findings

Demographic Profile: The breakdown of the respondents' demographic characteristics is shown in Table 2. Almost 69% or 431 out of the 625 household respondents were males while females made up 31% of the household respondents. The majority (81%) of the female household were 34 years of age and younger. Eighty five percent of the respondents were 44 years of age or younger, while 15% of the respondents were over 44 years old. The majority of the sample can be classified as middle income, with 62% of the respondents reporting a monthly household income ranging from $201 to $500. Less than 23% reported an income of $200 and less, while 15% reported a household income of greater than $500 monthly. Most of the respondents who have good income are degree holders. Seventy four percent of the respondents indicated that they had completed college, and 15% of the sample had completed secondary school. Almost 62% of household respondents are living in their own houses while the rest of respondents are renting. A large part of the respondents (86%) are married and almost 60.5% of the married respondents are living in their own houses and 39.5% are renting. The household respondents are mainly working in the private sector with 40% followed by 24% working in the government sector, while only 18.5% are in the education sector.

Table 2: Respondents Characteristics

Characteristics	Category	Frequency	%	Characteristics	Category	Frequency	%
Residential	Own House	385	61.6	**Family Income per month** (Unit: USD)	< 100	8	1.28
	Rent House	240	38.40		101-200	134	21.44
Gender	Male	431	68.9		201-300	200	32.0
	Female	194	31.0		301-400	107	17.1
Marital status	Single	70	11.2		401-500	82	13.1
	Married	540	86.4		501-700	48	7.68
	Divorce	12	1.92		701-1000	28	4.48
	Widowed	3	0.48		>1000	18	2.88
Age	Less than 25 years old	154	24.64	**Occupation**	Official Gov Worker	150	24.00
	25-34 years old	250	40.0		Education	116	18.5
	35-44 years old	128	20.4		Private Sector	252	40.3
	45-54years old	63	10.0		Industrial	17	2.72
	≥ 55 years old	30	4.80		Service	15	2.40
Education	Read and write	21	3.36		Students	40	6.40
	Elementary	13	2.08		Unemployed	5	0.80
	Secondary	96	15.3		Retired	7	1.12
	Vocational	10	1.60		Other	23	3.68
	College/Universi	464	74.2				
	Graduate school	21	3.36				

<u>COO Evaluation</u>: The result of means and standard deviation as shown in Table 3 indicated that for COO evaluation, respondents tend to have higher levels of agreement on the measurement items for Japanese HAPs with a mean score of 4.7 followed by Malaysia with a mean score of 3.51. Korea ranked third with a mean score of 3.34 on a 5-point scale ranging from 1= Strongly Disagree to 5= Strongly Agree. The respondents also had lower levels of agreement on the measurement items for HAPs made in China and Taiwan with mean scores of 2.96 and 1.9 consecutively. These results seem to indicate that respondents have a positive evaluation on HAPs made in Japan, Malaysia, and Korea and a negative evaluation of HAPs made in China and Taiwan. A low standard deviation was found in the evaluation of Japan as COO which indicates that there is uniformity in the respondents' responses. In contrast, a high standard deviation was found in the evaluation of China on the three items, which indicates that there are a lot of variations in the respondents' answers.

Table 3: Consumers' Evaluation Countries as COO

	Malaysia (1)		China (2)		Taiwan (3)		Japan (4)		Korea (5)		*F-ratio*	*Tukey's Rank*
	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D		
Good feeling	3.56	0.92	2.95	0.99	1.90	0.92	4.69	0.65	3.35	0.97	791.861***	3,2,5,1,4
Positive Image	3.47	0.96	2.95	1.01	1.94	0.93	4.71	0.64	3.39	0.97	744.841***	3,2,5 1,4

Favourable as COO	3.50	0.97	2.97	1.07	1.87	0.92	4.70	0.67	3.28	0.94	752.549***	3,2,5,1,4
Overall average	3.51	0.87	2.96	0.92	1.90	0.84	4.70	0.56	3.34	0.88	926.49***	3,2,5.1,4

Note: the mean scores based on a five-point-scale ranging from 1= minimum to 5=maximum; *F*-ratios are the result of one-way ANOVA test; where *, **, and ***represent statistical significance at 0.10, 0.05, 0.01 respectively

One-way ANOVA was conducted to test Yemeni respondents' evaluation of the five selected countries of origin. Table 3 shows the results of ANOVA and Tukey F-ratio. It can be noted from the table that the analysis of variance test indicates a significant difference at the 0.01 level with general F (4, 3120) = 926.49 in responses for all three statements, both combined and individually. In general, with respect to country-of-origin, Japan received the highest rating from Yemeni consumers followed by Malaysia, and Korea, while China ranked fourth and Taiwan last among the five selected countries according to Tukeys' comparison method between groups.

Consumers' Attitude: Table 4 shows that respondents confirmed their attitude towards Japanese products more than the products of other countries. It can be seen that Japan scored the highest mean which is 4.71, followed by Malaysian products with a mean of 3.56 and Korean products with a mean of 3.44 based on a scale 1= strongly disagree to 5= strongly agree. Taiwanese products obtained the lowest mean of only 1.98. The respondents showed strong attitudes towards Japan as a COO which provides products in the favourable category and they believed that all Japanese products offer benefits. Consequently, they preferred Japanese products due to its high quality. China and Taiwan were given lower attitudes with average means of 2.91 and 1.94 respectively. The standard deviation for attitude towards Chinese products scored high for three items which means that there is a lot of variation in the respondents' answers.

One-way ANOVA was conducted to test Yemeni respondents' attitudes towards home appliance products made in the five selected Asian countries; Malaysia, China, Taiwan, Japan and Korea. As shown in Table 4, the results indicated that there are statistically significances with a p-value <.01 among the five countries of origin, across all the four statements, both combined and individually which measure the construct of consumers' attitude towards the five Asian countries of origin. Generally, with Tukeys' comparison method between groups, Yemeni respondents have a significantly higher and more favourable attitude towards Japanese HAPs than towards made-in Malaysia, Korea, China and Taiwan home appliance products. Malaysia and Korea were rated second on all the first three items, while Korea was ranked third for statement number four. In general, Yemeni respondents had a more favourable attitude towards made in Japan home appliance products with a mean of 4.7 on a five-point Likert scale compared to made in Taiwan products which had a mean of only 1.9. The respondents also had a high attitude score towards made in Malaysia and Korea HAPs and a lower attitude score towards made in China products.

Table 4: Consumer Attitude

	Malaysia (1)		China (2)		Taiwan (3)		Japan (4)		Korea (5)		*F-ratio*	*Tukey's Rank*
	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D		
I think High quality	3.51	.86	2.83	.92	1.95	.87	4.80	.47	3.51	.91	1010.53***	3,2,5,1,4
Favourable category	3.51	.92	2.89	1.01	1.94	.83	4.75	.51	3.45	.92	893.88***	3,2,5,1,4
benefits	3.54	.90	3.03	1.06	2.08	.93	4.66	.59	3.41	.94	665.20***	3,2,5,1,4
I like very much	3.67	.94	2.89	1.02	1.94	.88	4.63	.65	3.41	.96	743.23***	3,2,5,1,4
Overall average	3.56	.82	2.91	.88	1.98	.79	4.71	.43	3.44	.85	1035.43***	3,2,5,1,4

Note: the mean scores based on a five-point-scale ranging from 1= minimum to 5=maximum; F-ratios are the result of one-way ANOVA test; where *, **, and ***represent statistical significance at 0.10, 0.05, 0.01 respectively

Consumers' Perception of Product Attributes: Table 5 shows the distribution of means of respondents' perception on quality of HAPs made in five Asian countries based on a scale of 1= strongly agree to 5= strongly disagree. The respondents showed a very strong level of agreement for made in Japan product attributes. However, they had a negative perception towards the quality of made in Taiwan products which had an average mean of 2.75. Japan had the highest average mean score of 4.21, the highest mean among the items for Japan is 4.84 for durability of products and the lowest mean of 1.34 for the price value, which means that the price of made in Japan HAPs is considered expensive. The respondents had a neutral perception of the overall product attributes of made in Korea, Malaysia and China HAPs with an average mean score of 3.50, 3.48 and 3.45 respectively. The average standard deviation was found to be low which indicated that there is a great uniformity in the respondents' answers regarding the perception of the product attributes made in the five countries. The standard deviation is high for made in Taiwan product attributes

which means that there was a lot of variation in the respondents' answers. The high standard deviation also showed a high score for the statement on price of products made in Malaysia, Taiwan and Korea, and the statement on innovative products for China.
The results of the one-way ANOVA test for attributes perception of products made in the selected countries shown in Table 5 indicated that all eight statements in the table were statistically significant differences with p-value< .01 among the means value of Yemeni respondents' perception of product attributes' scores across the selected countries; Malaysia, China, Taiwan, Japan and Korea. Using Tukeys' comparison method between groups, for the first seven statements the respondents ranked Japanese HAPs first on high product attributes. However, in statement eight which is related to price attribute, the respondents ranked Japan the last considering the high price of its products while China scored first for having a reasonable product price, followed by Taiwan, Malaysia, and Korea which ranked second, third and fourth respectively. As shown in Table 5, the first five statements which are related to the design, innovation, fashionable, and electric consumption, Malaysia and Korea ranked second while China and Taiwan were ranked fourth and fifth respectively. For product durability in statement number 7, Japanese product attributes scored first while Taiwanese product attributes were ranked last and Chinese product attributes fourth. This means that Yemeni consumers do not consider made in Taiwan and China products as durable. However, Yemeni respondents considered the HAPs made in Malaysia and Korea as durable products which ranked second after Japanese products.
Consumers' Purchase Intention: Table 6 shows the distribution of means of respondents' purchasing intention from the five Asian countries based on a scale of 1=very unlikely to 5= very likely to purchase. For the indicator of country of origin which consumers intend to purchase from, Japan scored the highest mean value with 4.49 while Taiwan had the lowest mean score of 2.03. At the same time, consumers intend to purchase from Malaysia as COO had a mean score of 3.77, followed by Korea (3.37) and China with only 2.97. The respondents considered Japan as a country of origin for future purchases and they are willing to purchase without hesitation. They also indicated their pride (proud) in owning Japanese home appliance products and would be glad to recommend and encourage other consumers to purchase Japanese, Malaysian and Korean products. The great uniformity in the answers of the respondents was found in the purchasing intention from Japan with an average standard deviation of .59, while the variation in answers of respondents was found to be high in the intention to purchase from Malaysia, China and Korea.

Table 5: Consumers' Perception of Product Attributes

	Malaysia (1)		China (2)		Taiwan (3)		Japan (4)		Korea (5)		*F-ratio*	*Tukey's Rank*
	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D		
Good design	3.60	0.86	3.42	0.95	2.58	1.04	4.77	0.49	3.66	0.87	512.19***	3,2,15,4
Innovative	3.40	0.90	3.28	1.05	2.32	0.94	4.75	0.49	3.52	0.89	610.20***	3,2,51,4
Fashionable	3.36	0.89	3.51	1.02	2.43	1.02	4.62	0.66	3.58	0.91	459.72***	3,2,1-5,4
Less electrical bill	3.51	0.80	3.56	0.94	3.05	0.98	4.13	0.92	3.62	0.89	110.93***	3,251,4
Performance	3.46	0.88	3.00	0.96	2.18	0.93	4.81	0.47	3.56	0.84	823.55***	3,2,15,4
Easy to operate	3.85	0.82	3.93	0.91	3.47	1.09	4.42	0.78	3.79	0.91	90.00***	3,512,4
Durable	3.37	0.87	2.73	1.05	2.05	0.90	4.84	0.47	3.51	0.91	904.05***	3,2,1,5,4
Price	3.20	1.02	4.19	0.95	3.93	0.98	1.34	0.67	2.70	0.99	883.62***	4,5,1,3,2
Overall average	3.48	0.58	3.45	0.57	2.75	0.62	4.21	.321	3.50	0.58	572.00***	3, 512,4

Note: the mean scores based on a five-point-scale ranging from 1= minimum to 5=maximum; F-ratios are the result of one-way ANOVA test; where *, **, and ***represent statistical significance at 0.10, 0.05, 0.01 respectively.

Table 6 shows the results of the one-way ANOVA and Tukeys' method for comparison between groups of the construct of consumers' purchase intention from the five selected countries of origin. It can be noted that the analysis of variance test indicates a significant difference at the 0.01 level with general F (4, 3120) = 796.26 in responses for all six statements, both combined and individually. In general, with respect to purchase intention from country of origin, Japan received the highest rating from Yemeni respondents followed by Malaysia which was rated second and Korea third. China was rated fourth and Taiwan last among the five selected countries.

Table 6: Purchase Intention

	Malaysia (1)	China (2)	Taiwan (3)	Japan (4)	Korea (5)	*F-ratio*	*Tukey's Rank*

	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D		
Consideration	3.83	.97	3.10	.98	2.12	.98	4.48	.80	3.45	.95	549.95***	3,2,5,1,4
Willingness	3.80	.95	3.13	1.01	2.06	.96	4.47	.78	3.45	.92	563.65***	3,2,5,1,4
No hesitation	3.68	.99	2.96	1.01	2.04	.95	4.46	.80	3.38	.96	556.09***	3,2,5,1,4
Definitely	3.66	1.02	3.05	1.04	2.03	.95	4.44	.79	3.34	.99	526.27***	3,2,5,1,4
Proud	3.83	1.03	2.77	.98	1.93	.90	4.55	.78	3.27	.96	717.53***	3,2,5,1,4
Recommend	3.84	1.02	2.79	1.01	1.98	.91	4.52	.78	3.31	.99	666.14***	3,2,5,1,4
Overall average	3.77	.89	2.97	.86	2.03	.84	4.49	.59	3.37	.85	796.258***	3,2,5,1,4

Note: the mean scores based on a five-point-scale ranging from 1= minimum to 5=maximum; F-ratios are the result of one-way ANOVA test; where *, **, and ***represent statistical significance at 0.10, 0.05, 0.01 respectively.

Conclusion and Recommendations

Overall assessment: The results of this study found that purchasing products from countries with high level of development is more likely to occur than from less developed countries. Respondents consider Japan as a developed country and Taiwan as a less developed country. At the same time, Malaysia, Korea and China were considered by Yemeni consumers as developing countries. In general, the results of this study support the findings of previous scholars such as Roth and Romeo (1992); Mohamad et al. (2000); Crawford and Lamb (1981) and Wang and Lamb (1983) which emphasize that the product image of a country is perceived to be highest or lowest depending on the countries' economic development levels. Baughn and Yaprak (1993) and Crawford and Lumpkin (1993) mentioned that the levels of economic development of a country seem to be important cues that influence consumer's perception of product quality and purchasing behaviour.

Evaluate countries-of-origin: Yemeni consumers evaluated Japan as a great country-of-origin of home appliance products and ranked it first followed by Malaysia and Korea, while China was ranked fourth and Taiwan last. The finding was similar with Yavas and Alpay's (1986) study which found that Saudi and Bahraini consumers evaluated Japan the highest while Taiwan the lowest. Also, those results are consistent with the answer to the research question regarding countries' economic development levels. However, Yemeni consumers evaluated countries-of-origin according to the level of economic development based on their belief. Samiee (1994) significantly pointed out that country-of-origin did influence consumers' product evaluation. The findings of this study is consistent with the findings of studies conducted by Schoolar (1971), Wang and Lamb (1983), Han (1990) and Okechuku (1994) which stated that consumers evaluate products according to the perceived level of economic development of the source country. The products emanating from LDCs carry a less positive image than products from MDCs (Schooler, 1965).

Consumers' Attitude: The results indicate that there is a significant difference in the attitudes of Yemeni consumers with regard to home appliance products made in Japan, Malaysia, Korea, China and Taiwan. Yemeni consumers have a very positive attitude towards Japanese made products, and correspondingly seemed to have positive attitude responses to products made in Malaysia and Korea. Yemeni consumers also had low attitudes towards made in China products than attitudes towards made in Malaysia and Korea products. At the same time the consumers have negative attitudes towards made in Taiwan products. It can thus be said that Yemeni consumers have strong attitudes towards Japan as a country of origin which provides products in the favourable category and believed that all Japanese products offer benefits. This result is consistent with those of several previous studies. Leonidou *et al.* (1999) study showed that consumers' attitude towards Asia Pacific products, with the exception of Japan, could be described as moderately satisfactory to unsatisfactory. Badri *et al.* (1995) found that business people in Gulf States have high attitude towards made-in Japan products, and they have negative attitudes towards made-in Taiwan products. This result is also consistent with the study carried by Yavas and Alpay (1986). Moreover, this study confirms findings in previous country-of-origin studies suggesting that consumers rate products from developed countries more favourably than products from developing and less developed countries.

Product attributes: The result on the assessment of product attributes clearly shows the superiority of Japanese home appliance products based on the products' design, innovation, style, energy efficiency, high performance, easy to operate and durability. The only exception is the low rating given to price. On the other hand, Chinese product attributes scored the highest mean which is cheapest price weighed against other countries' home appliance products. China had an acceptable score for the other attributes with a mean of between 3 to 3.93. The only weakest attribute was durability of product. This part of the finding was consistent with those of previous studies which found that consumers in less developed countries are more responsive to price changes of products made in less developed countries (Leonidou, *et al.,* 1999; Yi *et al*., 2004). Malaysian and Korean products' attributes were evaluated positively and moderately. While Yemenis showed acceptance for product quality produced in both countries, Malaysian products have appropriate price

characteristic compared to Korean products. This might give Malaysia a competitive advantage in Yemeni markets. The image problem for Taiwanese products found in this research is evident in the average mean of product attributes which was only 2.75. Only the price of products scored the highest in this evaluation. These results complement the results of Yavas and Alpay's study (1986) on Bahraini and Saudi consumers and found that Japanese products are evaluated the highest, while Taiwanese the lowest. This means that product attribute perception may rely on the image of its country-of-origin (Papadopoulos and Heslop, 1993). The COO made-in label will influence the beliefs about the product and thus be reflected in the product's attributes scores (Erickson et al., 1984). Han and Terspstra (1988) found that country-of-origin cue did affect consumers' perceptions of the product quality.
Purchase intention: The results indicate that consumers' general purchase intentions of Asian made products are more likely to be consistent with their perceptions and evaluations of countries-of-origin for the home appliance products category. Yemeni consumers have more intention to purchase Japanese products due to their perfect and superior attributes, followed by Malaysian products as the second preferable products' country-of-origins. Korean made products are at third place, while Chinese and Taiwanese products fourth and the fifth in terms of purchase intention evaluation. It is important to note that Yemeni consumers showed willingness to buy Chinese products as indicated by the high mean score of 3.13 as reported for the second statement. This might be caused by the low price offered by Chinese products and the fact that the Yemeni market is getting very price competitive as demonstrated by Yemeni consumers' high price sensitivity. Yi *et al.* (2004) highlighted consumers' response to price changes (low price) of products made in less or developing countries. The result is consistent with a previous study Papadopoulos *et al.*'s study (1990) which verified that consumers in the five countries of his study were more likely to purchase Japanese' products rather than similar products made by their home countries. They concluded that globally, Japanese products have achieved high consumer preferences and purchasing intentions through competent and aggressive advertising. The effect of country-of-origin cue on purchase intention is also a conclusion made by many scholars such as Yaprak (1978), Morello (1984), Han, (1990) and Tse *et al.* (1996). The effect on purchase intention is less when the country-of-origin is considered a less developed country (Yi *et al.*, 2004). This finding contradicts Wall *et al.*'s (1991) findings which showed that country-of-origin does not seem to be important when it comes to evaluating purchase likelihood.

Research Limitations and Future Research

Despite the importance of the findings of the present study, as always, this research investigation has a number of limitations which must be considered in evaluating its findings. These limitations should also be noted and addressed in future research. Country-of-origin was the only information cue in which respondents based their evaluations. The result of this study is also associated with single-cue country-of-origin perception. Therefore, further research should engage /use multi cues of country-of-origin, such as country-of-design, country-of-assembling, country-of-manufacturing, and country-of-parts. This would be more useful and interesting compared to the different economic levels of the producer countries. For example, the product is designed in a developed country and the parts are manufactured in an underdeveloped country but they are assembled in a developing country. Another limitation of the study is that it focused on only one product category with no specific brand names defined for evaluating country of origin products. The respondents were asked not to think of any particular brand but rather to rely on their overall perception of the product from the country in question. Another difference between this study and the majority of previous studies is that the sample was household units in urban areas. It is a crucial choice for investigating home appliance products. In order to get a more accurate and generalized results it is suggested that marketing managers of the home appliance products be included as respondents.
It is hoped that this study will be the stimulus in the area of country-of-origin on consumers' perception and attitude towards products made in various countries. Several directions for future research on the country-of-origin effect are suggested. Since this study investigated only country-of-origin's durable products which is represented by home appliance products, a replicate study with different product categories in different industries would be beneficial in understanding the extent of the model's usefulness. The country-of-origin concept can be applied to services category imported from Asian countries as well as other durable products and high involved products such as construction materials and/or automobiles. Further studies should focus more on other types of respondents such as marketing managers and sales representatives as final-dealers besides households as end-users to measure the effect of country of origin to obtain a more accurate and complete country-of-origin image as well as to fully understand consumer behaviour. This study was conducted in urban areas at six metropolitan cities in the Republic of Yemen, to measure consumers' attitude and purchase intention of household products from five selected Asian countries. For further studies, researchers should conduct further investigation on consumer behaviour in rural areas which are considered as the markets of tomorrow. Marketers should know how to penetrate these markets as more companies are turning to rural markets to expand the scope of their operations and also to prompt competition (Saxena, 2006). Finally, future research should further examine the roles of country-of-origin effects and marketing strategies which include brand, advertising, warranty, promotion, etc. As suggested by Baker and Currie (1993), the concept of country of origin effect phenomenon should be further researched along with the marketing mix including the product itself, its price, promotion, and distribution, as the fifth element of the marketing mix.

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Customer Perception of the Effectiveness of Service Quality Delivery of Islamic Banks in Nigeria: An Evaluation of Jaiz Bank

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Abstract

Purpose: This study attempts to identify the factors that motivate customers to deal with an Islamic bank as well as measuring customers' perception of the service quality delivery of Jaiz bank in Kano State of Nigeria. It also seeks to assess customers' satisfaction with the performance of Ja'iz bank

Design/methodoly: This study is primarily an exploratory work that uses survey design to examine customers' perceptions of the quality of service delivery by Jaiz bank in Nigeria. The population of the study consists of the customers of Jaiz bank in Kano State of Nigeria. Customers' responses regarding service quality were collected using the CARTER instruments through a self-administered questionnaire. Both purposive and convenience sampling techniques are used in the study.In addition, descriptive statistical methods are utilized to calculate the means, frequency, percentage and standard deviation of responses in order to summarize and interpret the data as well as to measure the perception of bank customers based on the CARTER constructs.

Findings: The study reveals that the non-interest nature of Islamic banks is main motivating factor that attracts customers to Ja'iz bank.Also, customers perceive the six CARTER dimensions of reliability, responsiveness, empathy, tangibles, assurance and compliance with Islamic law to be very effective even as they are generally satisfied with the performance of the bank. Another important finding of the study is that it has empirically proved that Islamic banking services are not limited to muslim alone, rather, it can be enjoy by any person irrespective of his/her ethnic or religious affiliation.

Research Limitations/Implications: There are some limitations that need to be acknowledged. The data were collected in a one but important location for Islamic banking operation in Nigeria. Thus, the results' interpretation should be limited to this group of customers. Also, the measurement of customers' perceptions was limited to 25 attributes. Even though these attributes wereincluded in other studies as well, there could be other relevant attributes that are likely to influence bank customers' perceptions. So, in order to be able to generalize the findings, it is suggestedthat similar studies be conducted in other Nigerian cities where Jaiz bank operates as well.

Originality/Value: The study is undoubtedly valuable in the Nigerian context as it will provide empirical facts to the current debate on the viability of Islamic banking services in the country. Being one of the few studies conducted after Ja'iz bank started its operation as the first full-pledge Islamic bank in the country; it will help to refute the wrong notion on Islamic banking in the country. It will equally provide factual reasons to the arguments for the establishment for more Islamic banks in Nigeria.

Key words: Customer perception, Islamic banking, Service Quality, performance

1.1 Introduction

In modern competitive environment, the pursuit of service quality is considered to be an essential strategy. Marketers are often faced with the challenge of examining their service quality from customers' point of view. To achieve this, theyuse market research to determine customers' expectations and then use information obtained therefromto develop their service quality dimension in order to meet or exceed their customers' expectations. Many service organizations in Nigeria have responded to the strategic and financial impact of quality by treatingit as a valuable tool for building and maintaining competitive advantage. Companies that have goods andservices perceived as being of high quality typically experience high customer patronage and loyalty; such that satisfied customers often help to attract new customers through word of mouth advertising and positive referrals. Thus, it is apparent that, in the long term, the most important factor affecting business performance is the quality of goods and services offered by theorganization, relative to its competitors. Many companies therefore, try to deliver a service with superior anddifferentiated quality.

From the foregoing, it is believed that perceived service quality effectiveness tends to play an important role in highskill and technology-involving industry like banking service. Delivering quality service to customers is often regarded as a yardstick for success and survival intoday's competitive banking environment.These service-quality issues, however, have long been neglected in developing economies unlikethe developed economies like the USA and Europe(Yavas et al., 1997), and this also applies to the banking industry(Angur et al., 1999). Nigeria being a developing economy, with an emerging banking sector which has a wide geographical reach catering to the needs of a huge clientele, offers anexcellent scope for research on the issue of customer service quality in banking(as perceived by the customers), and can provide the beacon for evaluatingtheeffectiveness of banking services delivery. This is even more crucial in the Islamic banking sub-sector, being a new and largely untapped market in Nigeria. So, the identification of theeffectiveness of service quality of Jaiz bank, as a pioneer full-pledged Islamic bank in Nigeria,could be an invaluable contribution for improving the banking services and an eye opener to potential entrants.

With the foregoing introduction, this study attempts to identify the factors that motivate customers to deal with an Islamic bank as well as measuring customers' perception of the effectiveness of service quality dimensions as provided by Jaiz bank in Kano State of Nigeria. It also seeks to assess customers' satisfaction with the service quality delivery of Ja'iz bank. To achievethis goal, the researcher selects the multidimensionality of CARTER model, Othman and Owen (2001), to measure service quality. This is done with a firm believe that the study may elicit the response of both Muslim and non-Muslim customers who are vital to Islamic banks. Consequently,the following three questions are posed for the study.

Question one: What are the main factors that motivate customers to deal with an Islamic bank?Question two: How effective is the delivery of service quality instruments from the customers view point?

Question three: What is the level of customers' satisfaction with the service quality delivery of Ja'izbank.

1.2 An Overview of Ja'iz Bank Nigeria Plc

Jaiz Bank PLC was created out of the ashes of the former Jaiz International Plc which was set up in April 2003 as a special purpose vehicle (SPV) to establish Nigeria's first full-Pledged Non-Interest Bank (Bintube, 2009). At the time Jaiz was incorporated, the minimum capital required to set up a bank was N2.0 Billion (US $14.29 Million). The promoters therefore obtained the necessary regulatory approvals and went to the capital market to raise the sum of =N= 2.5 Billion (US $18.5 Million).The offer was oversubscribed (about 120 %) because of the huge demand for interest free banking in Nigeria and the people behind it. However, it could not obtain license to start operation for eight years (2003-2011) due to the reforms that took place in the Nigeria's banking industry.

Jaiz Bank Plc. obtained a regional operating license to operate as a Non-Interest Bank from the Central Bank of Nigeria on the 11th of November 2011 and begun full operations as the first Non-Interest Bank in Nigeria on the 6th of January, 2012 with 3 branches located in Abuja FCT, Kaduna and Kano (www.jaizbankplc.com, 2012). The regional license allows the Bank to operate geographically in a third of the country. Also, based on recommendations from Islamic Development Bank (IDB), who is also a shareholder of the bank, Jaiz Bank PLC has partnered with Islamic Bank Bangladesh (IBBL) for Technical and Management Assistance.

In addition, the bank plans to upgrade to a national operating license by 2013. Consequently, it will increase its current Share Capital Base from N6 billion (USD$39 million) to N12 billion (USD$78 million). This upgrade will enable the Bank operate in all 36 states of the Federation including the Federal Capital Territory, thereby making it to compete effectively in one of the most thriving sectors of the Nigerian economy. The Bank equally plans to establish 16 branches in 2012 and 100 by 2017. In this regard, the IDB membership of the board is expected to provide a lot technical input.

Ja'iz bank also is positioned as a national bank offering its services to all regardless of religious beliefs. Its vision is to be the dominant non-interest financial services provider in Sub-Saharan Africa, while the mission is to provide innovative, value-added, non-interest financial services to their clientele by employing the best people, supported by technology (www.jaizbankplc.com, 2012)**. In the same vein, some of its strategic core values include q**uality service (customer first), team spirit, respect for individual, ethical conduct, trust, partnership and entrepreneurship.

2.0 Review of Literature

The coming of Jaiz bank has opened another vista in the financial service intermediation in Nigeria. And there is no doubt that its entry will shape the degree of competition in the retail banking industry. Ja'iz bank is the first full-fledge Islamic bank in Nigeria Bintube, (2012), as such itsoperationshould be done based on islamic principles and injunctions.According to Islamic law, the mode of finance should emphasize profit and loss sharing and prohibit fixed-returns (Ciptono and Soviyanti, 2007). An Islamic bank is much like a conventional bank in that it is a full-service financial intermediation. Invariably, most of an Islamic bank's transactions include such financial products as mudaraba, musharaka, which are equity-like contracts, and the debt-like contracts of murabaha, ijara and istisna. Islamic banks are also engaged in trade finance investment, leasing projects, private banking, investment in real estate and financial engineering.

The modern banking, which has its root from the west, has dominated the banking business globally and is founded on the principle of interest. Islamic banking on the other hand is an emerging variant of the conventional banking and it is interest-free. Islam prohibits Muslims from taking or giving interest (riba) regardless of the purpose for which such loans are made and regardless of the rates at which interest is charged.

However, both conventional and Islamic banks are all operating in the financial service industry. Therefore, their products are essentially service in nature.

2.1 Service Quality Perceptions

Generally, service is seen as a set of benefits delivered from the service provider to the service consumer. It maybe coaching, teaching, banking, consultancy and other modes tomeet customers' aspirations. Banks provide financial intermediation, consultancy and agency services that arediversified with the passage of time. It is also worth noting that services have fourkey features that differentiate it from goods. They include intangibility, perishability, inseparability and heterogeneity(Hoffman and Bateson, 2002). Quality is observed as a major factor in reference tocustomer acquisition and retention (Galloway and Ho,1996). Therefore, service quality can be used as a competitive tool by banks to build and maintain long term customer relationship and unique service differentiation.In other words, service quality isan important factor in services marketing.To this end, Kotler (2003) posits that customer service perception generally describes customers' feeling on the comparison of the perceived performance and their expectation on services.It is expected that organisations should be able to perform equal to or even higher than their customers' expectations. Perhaps that is why many firms and organizations pay attention to service quality as an important component for their competitive advantage because they believe that it is a mandatory factor for retaining and improving their level of competitiveness.

Nowadays, service quality has become one of the important determinants in measuring the success of companies. Marketers agree that service quality has truly presented a significant influence on customers to distinguish competing organizations and contribute effectively to customer satisfaction (Parasuraman, Zeithaml, and Berry, 1985; Avkiran, 1994). Service quality has many definitions; however an all-embracing definition of this concept and the most recognized definition of this concept proposed by researchers revolves around the idea that it is the result of the comparison that customers make between their expectations about a service and their perception of the service performance (Zeithmal, 1988; Gronroos, 1988; Parasuraman, Zeithaml, and Berry 1985, 1988). In essence, this factor is used as one of the variables for customers to evaluate service companies and certainly, banking sector in this case is not exempted from this assessment.

Therefore, one of the important issues that marketers are faced with is what the customers expect from the service purchased. Indeed, it is the first and crucial stage in delivering service quality. Customer expectation revolves around their conviction about the products and services that they receive from the organization and company that serves them. It is comprehended as the reference point against which the performance of the service provided is judged. This understanding is imperative for marketers because customers compare the performance or quality of the services received and uses same as the reference points when they experience and evaluate the service quality (Zeithaml et al., 2006). This experience in turn is what determines customers' perceptions of the level of service quality received from an organization.

2.2 Service Quality Dimensions

Lehtinen and Lehtinen (1982) provide a three dimensional model of service quality. Their dimensions consist of what they term as corporate, interaction and physical models. Corporate quality consists of organizational image, interaction quality is formed among service personnel and customers and, finally, physical quality includes tangible, equipment and premises. Gronroos (1982) tried to improve this model by focusing on what customers perceive; he therefore sees service quality as consisting of three dimensions which include functional, technical and image quality. Firstly, technical quality primarily focuses on how the customer receives services and their evaluation on them. Secondly, functional quality focuses on how the service is performed and delivered; finally, image is built during company and customers' interaction. This model is known as Nordic model. Also, Schneider and White (2004), define service quality as customers' assessment on the overall excellence or superiority of the services provided. Generally, customers usually evaluate the service perceived performance based on the expectations they already have about the service of a given company.

Markovic and Raspor (2010) opines that one of the main research instruments for measuring quality in service industries is the SERVQUAL model, developed by Parasuraman Berry and Zeithaml (1985; 1988). The model contains 22 items for assessing customer perceptions and expectations regarding the quality of service. A level of agreement or disagreement with a given item is rated on a sevenpoint Likert-type scale. The level of service quality is represented by the gap between perceived and expected service. The SERVQUAL model is based on five service quality dimensions, namely tangibles (physical facilities, equipment and personnel appearance), reliability (ability to perform the promised service dependably and accurately), responsiveness (willingness to help customers and provide prompt service), assurance (knowledge and courtesy of employees and their ability to gain trust and confidence) and empathy (providing individualized attention to the customers). This is one of the important theories for assessing service quality.

Buttle (1996) however, argues that the SERVQUAL instrument is not universal and has wrong result in some part such as statistical and psychological theory. Other problems of this model are its failure to measure absolute service quality expectation and some item can't capture the variability within each service quality dimension (Othman and Owen, 2001). As a result, Cronin and Taylor (1994) introduce another model based on performance to measure service quality (SERVPERF). They expressed that researchers have focused to illustrate differences between service quality and satisfaction by measuring service quality perception; however, this approach cannot distinguish between customers' attitude. Moreover, Bahia &Nantel (2000) developed a specific new scale for perceived service quality in retail banking: Bank Service Quality (BSQ). This BSQ model incorporated additional items such as courtesy and access, as proposed by Carman (1990), and items representing the marketing mix of the "7Ps" (product/service, place, process, participants, physical surroundings, price and promotion) from the Boom &Bitner (1981) framework. These are only some of the models or theories used to explain service quality dimensions.

In general, one of the important problems that are felt with the above models is that none of them pay attention to religion and differentiation among region, religion and countries' culture (Othman and Owen, 2001). In focusing into the variable of religion, it is known that religion, as a belief system, affects the choices and behavior patterns in consumers. In fact, it is believed that religion is a systematic culture that can create strong beliefs or values in the mind of its adherents. In relation to this and satisfaction of customers' needs in service industry, marketers further believe that religion often influence customer behavior and decision when purchasing a product or service (Kotler et al., 1999; Karjaluoto et al., 2002). Relating this to Islamic banking as a specific model of our study, it explains why Muslim people who are sensitive about interest-based transaction of conventional bank – being one of the most common issues among Muslim banking clients – moved to open account in Islamic banks. Therefore, making an additional dimension is necessary for service quality that pays to these factors such as in Islamic banking industry. Othman and Owen in 2001 develop a new model to modify SERVQUAL model for Islamic banking system. They add a new dimension to SERVQUAL five dimensions called "Compliance with Islamic Principles". This dimension defines the bank's ability to fulfill Islamic law and operate under the principles of Islamic banking and economy.

2.3 The CARTER Model

In a paper titled developing an instrument to measure customer service quality in Islamic banking, Othman and Owen (2001) concluded that it is important for Islamic banks to adopt customer service quality program to improve ways of providing products and services to their customers and to cope with strong competition from conventional banks and new entrants to the market. Based on this conclusion, they developed a six quality dimension instrument called the CARTERmodel, to measure service quality in thebanking industry with specific focus on Islamic banking (Ciptono and Soviyanti, 2007). They developed this model to incorporateIslamic dimension to the existing SERVQUAL and consequently, introduced a dimension known as "Compliance with Islamic Law". This dimension indicates the ability of the organization to comply with Islamic law and principles (Ghani and Said, 2011). It includes attributes such as Islamic law and principles,provision of free interest loans and provision of Islamic products and services among others. Thus, CARTER is an acronym denoting Compliance with Islamicprinciples, Assurance, Reliability, Tangibles, Empathy and Responsiveness (Ghani and Said, 2011). Theyapplied their model to a case study and found a positive link between quality, satisfaction and serviceencounter. Their findings proved that CARTER instrument is valid in measuring service quality.Shafie et al. (2004) adapted CARTER instrument in a Malaysian setting and found similar findingsto Othman and Owen (2001). However, the setting used to examine the applicability of CARTERinstrument is limited to Islamic banking industry, hence its adoption in this study.

3.0 Methodology

This study is primarily an exploratory work that uses survey design to examine the effectiveness of service quality delivery of Islamic banks in Nigeria as perceived by customers. Thepopulation of the study consists of the customers of Jaiz bank in Kano State of Nigeria.Customers' responses regarding service quality are collected using the CARTER instruments as developed by Othman and Owen in 2001 to complement SERVQUAL with specific focus on Islamic bank industry. This model is based on 25 attributes examining the perceptions and performance of the Jaiz bank. The 25 attributes are allocated into six dimensions. The dimensions are assurance, reliability, tangibles, empathy, responsiveness and compliance with Islamic law. Four attributes are assigned to each of the first five dimensions while five attributes are apportioned to the last one, i.e compliance with Islamic law is. A Five-point likert scale was used to measure the responses of respondents ranging from one (not effective) to five (exceptional).

3.1 Sample

The researcher collects data by administering questionnaire personally toselected respondents at Jaiz bank along TabawaBalewa road, in Kano State of Nigeria. Sampling method to be used in this study is a combination of purposive sampling (in choosing Jaiz bank) and convenience sampling (in distributing questionnaire to respondents). One hundred andtwenty (120) copies of questionnaire were distributed to the respondents randomly.Out of this number, 35 were returned unfilled while 12 were wrongly completed. So, the analysis was done with the remaining 73 correctly filled questionnaires, thus giving a 60% response rate.With regards to data analysis, a statistical package for social sciences (SPSS) version 15.0 was used to analyze the data from the questionnaires. Firstly, a pilot test was conducted to test the content and context validity of the research instruments. Also the reliability of the instruments was measured with Cronbach's alpha coefficient. According to Pallant (2001) ideally the Cronbach alpha coefficient of a scale should be above .7. In the present study, the computed Cronbach alpha coefficient is .982 which indicates a higher degree of reliability since it is above the acceptable point.

4.0 Results and Discussions

The researcher used descriptive statistical methods and calculated the means,frequency, percentage and standard deviation of responses to summarize and interpret the survey as well as to measure the perception of bank customers based on the CARTER constructs. Personal details of sample respondents showed that 75.3% and 24.7% of them were male and female respectively,60.3% were married and majority of the respondents, about 76.7% were between 20-39 years old. The data also indicates that 85% of the respondents are gainfully employed and that 74% of the respondents were in the tertiary level of education. This goes to show that majority of Ja'iz bank's customers are educated.

Another important demographic data is the religious affiliation of the respondents. It shows that 89% are muslims, 7% Christians while one respondent belongs to the traditional religion. This response clearly dispels the wrong believe here in Nigeria that Islamic banking is limited only to muslims. By this finding, we can categorically state that non-interest banking is for every interested person irrespective of his religious affiliation. Closely related to this is the response on the factor that motivated the respondents to patronize Ja'iz bank. This is depicted in table 1 below.

Table 1 **What motivated you to open an account with Ja'iz bank?**

Option	Frequency	Percent	Valid Percent	Cumulative Percent
Recommendation of friends and relatives	9	12.3	12.3	12.3
Marketing efforts of the bank	13	17.8	17.8	30.1
The non-interest nature of the bank	37	50.7	50.7	80.8
As an alternative to conventional banks	14	19.2	19.2	100.0
Total	73	100.0	100.0	

The above response reflects that more than 50% of the respondent opined that they were motivated by the non-interest nature of the bank, 19.2% patronized it as an alternative to conventional banks while only 17.8 were persuaded by the marketing efforts of Jaiz bank. Therefore, being the first full-pledged Islamic bank in Nigeria, the non-interest nature of the bank is one of the salient marketing factors that attract people the bank, christian customers inclusive.
Respondents were also asked to indicate the product they like best out of the range of Islamic banking products offered by Ja'iz bank. Various responses were obtained as presented in table 2, but two products came first and second on customers preference, they are mudaraba and murabaha in that order. A total of 32 respondents (43.8%) prefer mudaraba, 31.5% like murabaha, 9.6% opted for Ijara, 6.8% chose musharaka while Istisna and Salam got 4.1% each.

Table 2 Which of the following Ja'iz products do you like best?

Products	**Frequency**	**Percent**	**Valid Percent**	**Cumulative Percent**
Murabaha	23	31.5	31.5	31.5
Mudaraba	32	43.8	43.8	75.3
Ijara	7	9.6	9.6	84.9
Musharaka	5	6.8	6.8	91.8
Istisna	3	4.1	4.1	95.9
Salam	3	4.1	4.1	100.0
Total	73	100.0	100.0	

The import of this result is that it will enable the bank to understand customers' preference on their products so as to decide on how to manage its product portfolio. It will also provide insight into the bank's marketing strategy on the products with a view to assess whether the strategies are effective or not. In essence, we can infer from the responses that people in Nigeria like Islamic banking products.

4.1 Measurement of customers service quality perceptions

To measure customers perception of the effectiveness of Ja'iz's service quality delivery, the survey questionnaires was designed to cover a very wide range of issues but only the relevant questions were analysed. These questions have been organised under the proposed frameworkbased on the CARTER model consisting of 25-item instrument. Each item was surveyed directly on the five point Likert scale starting at 1- not effective, 2- somewhat effective, 3- effective, 4- very effective and 5- exceptional.To assist in further testing the validity of this model, a question was added to the survey regarding over-allsatisfaction with quality of service provided by the bank under study.
Ja'iz's customers were asked about the importance of proposed quality items model which were based on theCARTER six dimensions as shown in Appendix (1).It is pertinent to state here that this study is a modified replication of Othman and Owen's (2001) study. Respondents, in essence, ranked the CARTER dimensions byrating the effectiveness for each item and their satisfaction and/or dissatisfaction with overall services and quality. From the responses, customers were particularly consistent in their assessment because they clearly judged the entire six dimensions [Compliance, Assurance and Responsiveness, Tangible, Empathy and Responsiveness] as effective and even very effective with an overall mean of 3.793. The lowest mean is 3.6575, which equally signifies a positive customer perception of service quality delivery by the bank.These findings are in line with the arguments of Ciptono andSoviyanti (2007), Abedniya and Zaeim (2011) and Ahmad et al (2010) in terms of SERVQUAL and CARTER models

In addition, respondents were asked to indicate their overall satisfaction with the quality of service provided byJa'iz bank, the result is depicted in table 3 below. It shows that more than 50% of customers are either satisfied or highly satisfied with the performance of the bank so far. In the same veain, 28.8% are even delighted with the bank's service delivery.

Table 3**Overall satisfactions with jaiz's quality of service and performance**

Options		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely dissatisfied	2	2.7	2.7	2.7
	Dissatisfied	6	8.2	8.2	11.0
	Satisfied	24	32.9	32.9	43.8
	Highly satisfied	20	27.4	27.4	71.2
	Delighted	21	28.8	28.8	100.0
	Total	73	100.0	100.0	

However, some customers indicated their dissatisfaction with the bank's performance (below 11%). Although the figure seems to be insignificant, the bank should not ignore it as it may not be to the bank's best interest.

5.0 Conclusion and Recommendations

Perceptions of banks service quality are the degree to which bank customers find various attributes of a bank important in enhancing their satisfaction with the banking service delivery. In the present study, it was revealed that the non-interest nature of Islamic banks is the main factor that motivates customers to patronize the bank. Also,customers perceived the six CARTER dimensions of reliability, responsiveness, empathy, tangibles, assurance and compliance with Islamic law to be very effective. The willingness of Jaiz's staff to assist customers promptly tops the mean rankings followed by the banks adoption of high Islamic business ethic in its operation. More importantly, the study has empirically refuted the erroneous belief in Nigeria that Islamic banking is introduced to 'islamize' the country. Instead, it is established that non-interest banking is open to all Nigerians irrespective of their ethnic or religious background. This is further strengthened by the fact that most of the customers surveyed indicated that they are satisfied with the banks performance.

Therefore it can be concluded that the modified version of the CARTER model is suitable for use by managers of Islamic banks in gaining easily interpretableand reliable data on bank customers' attitudes regarding perceivedservice quality. The results of this study suggest that solvingcustomers'problems, performing error-free service, employees' attitude,appropriate location, knowledge and skills of operational support staff and high Islamic business ethics are some of the key attributes for Ja'iz bank's success in Nigeria. Thus, the findingscan be used as a guide for bank managers to improve crucialquality attributes and enhance service quality and business performance. It is also recommended that Ja'iz bank should pursue an aggressive customer awareness campaign about Islamic banking products and their benefits to the customers

However, there are several limitations that need to be acknowledged. Thedata were collected in a one although important location for Islamic banking operation in Nigeria. Thus, the results' interpretation should be limited to thisgroup of customers. Also, the measurement of customers'perceptions was limited to 25 attributes. Even though these attributes wereincluded in other studies as well, there could be other relevant attributes that are likely to influence bank customers' perceptions.In order to be able to generalize the findings, it is suggestedthat similar studies be conducted in other Nigerian cities where Jaiz operates as well. Additionally, future research could also be conducted to find out the differences between the service quality delivery of Islamic banks and conventional banks in Nigeria from the customers point of view.

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Strategic Human Resources From Student Based On Islamic View

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This study aims us to know more about the institutional development of strategic human resource, Strategic Human Resource Development Program Nurul Fikri (*bahasa: Program Pembinaan Sumber Daya Manusia Strategis Nurul Fikri/* PPSDMS NF). The targets of program are selected students from seven Universities in Indonesia.
As methods, we examine the literature of PPSDMS's guidance system and took questionnaires about latest participants' perceptions while they undergo the programs. Amount of respondent are 218 participants during the month of October 2012.
The result is PPSDMS Nurul Fikri is an institution which concerned in outstanding student development based on establishment of a comprehensive Islamic character, integrity, credibility, leadership, and high spirit of nationalism.
Of questionnaires that have been processed, it can be said successful internalization stage from the standpoint of the participants with the assessment given by the participants leads to conditions that are good for three months.
Keywords: HR, Student, PPSDMS NF, Internalization

BACKGROUND

Pattern of HR Development

Efforts to obtain quality human resources need to be trained and improved, in order to become a human being effective, efficient and productive. In Qur'an, many verses suggest a typical characteristic human. The typical identity of a man has privileges and disadvantages. According to Taufik (2004), there is the behavior and typical characteristics which possessed by most humans and only a few that do not have such as:

1. Fulfill their duty as Allah SWT says in Surat Al Baqarah: 30

Remember when your Lord said to the angels, "Indeed, I will make upon the earth a successive authority." They said, "Will You place upon it one who causes corruption therein and sheds blood, while we declare Your praise and sanctify You?" Allah said, "Indeed, I know that which you do not know."

2. Man is unjust. In term, they put putting something out of place, such as the attitude of prejudice to the rights of others and not fair. As word of Allah in the Qur'an Surat Ibrahim: 34

And He gave you from all you asked of Him. And if you should count the favor of Allah, you could not enumerate them. Indeed, mankind is [generally] most unjust and ungrateful.

3. Human is stupid (do not know the truth), as Allah SWT says in the Qur'an Surat Al-Ahzab: 72.

Indeed, we offered the Trust to the heavens and the earth and the mountains, and they declined to bear it and feared it; but man [undertook to] bear it. Indeed, he was unjust and ignorant.

4. Humans are basically weak, as Allah SWT says in Quran Surat Annisa: 28

And Allah wants to lighten for you [your difficulties]; and mankind was created weak.

Humans require training and development in order to they can be good and carry the mandate which are given to them. With the power of faith and patient character of people, we can win in the battle with the permission of Allah SWT. One of story has record in Qur'an Surat Al Baqarah: 249

And when Saul went forth with the soldiers, he said, "Indeed, Allah will be testing you with a river. Whoever drinks from it is not of me and whoever does not taste it is indeed of me, excepting one who takes [from it] in the hollow of his hand". But they drank from it, except a [very] few of them. Then when he had crossed it along with those who believed with him, they said, "There is no power for us today against Goliath and his soldiers." But those who were certain that they would meet Allah said, "How many a small company has overcome a large company by permission of Allah. And Allah is with the patient."

The other reason we need for human resource development training because it is promoting the spirit of Islam Muhammad SAW as a message that "Today should be better than yesterday. Tomorrow should be better than today. Whoever today is worse than yesterday, will be worse. Anyone who today is the same as yesterday meant a loss. "Here the spirit of Islam has always made the best and best.

The following things is important to learn the concept of further training, are as follows:

1. Training is a systematic process for changing the behavior of employees to achieve organizational goals. Training related to the skills and abilities to perform the job at this time. Training orientation today and help employees to achieve certain skills and abilities to succeed in his job.
2. Training is an educational process that uses short-term systematic and organized procedure, where an employee non managerial learn conceptual and theoretical knowledge to achieve a common goal (Mangkunegara, 2005)
3. Training for employees is a process of teaching knowledge and skills, and attitudes that employees are more skilled and able to carry out their responsibilities in accordance with standards better. (Mangkuprawira, 202)

4. Training basically means the process of providing aids for workers to fix shortcomings in carrying out the work. (Nawawi, 2005)
5. Training is a process whereby people acquire capabilities to help achieve organizational goals. (Mathis-Jackson, 2006)

Students as Targets of Development Strategic HR

One of the great potential that needs to be a common concern is the well-educated human resources that have been selected both intellectual and financial capabilities, namely students. Students in Government Regulation Number 30 in 1990, explained that they are a registered learners and learning at a particular college. By August 2012, the number of students nationwide reaches 4.5 million people or just 1.8% of the population of Indonesia. While the numbers are productive for college 19-24 years account for 25 million or 10% of the population. So the gross enrollment rate (GER) is the amount of tuition compared to the productive class is 18%. For GER highest number in Indonesia by region, Jogjakarta population occupies the highest 55% of the population who get lecture. Then it is followed by capital city (Jakarta) about 45% population get lecture.

According to Indra Kusuma(2007), in his treatise Student Movement they have functions and roles as follows:

1. Intellectual academics

Students are young intellectuals who are the nation's most valuable asset. They move in a university that is a symbol of knowledge. The campus itself is still regarded as a bastion of morality that is objective and scientific.

2. Reserves future

Students are candidates of leader in the future. They are buds which need to be maintained in order to grow and develop into flowers nation.

3. Agent of change

Students are often trigger and driver of changes in society. Changes initiated by the student takes the form of both theoretical and practical.

University as the place for student to take science course has interesting point as well as. Especially for those who have an interest in getting students the resources that have been selected based on the quality of college.

There are several International Agencies whom we often hear, they are the THE-QS (since last year has broken partnership: THE-Thomson Reuters and QS), webometrics, 4icu, etc. The differences in weight or criteria were used to bring the different universities ranking. For example, in the QS ranking the best university is always UI (University of Indonesia). But in the July 2010 issue of Webometrics its ranks is 3 and in latest version of 4icu is in position 2 in Indonesia.

As can be seen Comparison weight / criteria used in grading Traveler World Universities:

Weight rating used THE-QS	**Weight / criteria used Webometrics Rankings**	**Weight / criteria used 4icu.org University**
Peering Review Score (40%) Recruiter / Employer Review (10%) Student to Faculty Ratio (20%) Citations per Paper (20%) International Faculty (5%) International Student (5%)	Size (20%, = byknya PT the relevant web site pages found by Google, Yahoo, Live Search and Exalead) Rich Files (15%, = a wealth of documents from the relevant PT) Scholar (15%, = scientific work produced by PT ybs were recorded by Google Scholar) Visibility (50%, = Number of external inlinks)	Google Page Rank Yahoo Inbound Links Alexa Traffic Rank

Therefore it is not surprising that college students in particular were targeted human resource development, because they have strategic functions and roles. Students who want to be given training and other incentives are usually given in the form of scholarships. So that needs human and financial capital can be obtained.

One of the institutional which has good performance in training and human resource development with student as it target, is scholarship from program Strategic Human Resource Development Nurul Fikri (*bahasa: Beasiswa Program Pembinaan SDM Strategis / PPSDMS NF*). On 2002, PPSDMS was built in one region (Jakarta). And current distribution are in the five regions in Indonesia. Consists of 7 State University enters the top 20 top universities 2011 4icu namely: UI, ITB, Unpad, UGM, ITS, Universitas Airlangga, and IPB. Until now PPSDMS has provided coaching to 794 students, consisting of 218 active participants and 576 dormitories that have become alumni.

Therefore, the authors feel the need to do research on the institutions that are concerned PPSDMS in coaching, with the goal of leading students of the state universities in Indonesia. This study wanted to know more about the organization and the latest generation participant responses while in the dorm PPSDMS Nurul Fikri.

Research Methods

Methods of research by examining the literature of NF PPSDMS Management guidelines and distribute questionnaires regarding perceptions during a period of armed latest guidance to participants. The questionnaire was completed by 218 participants in five regional: Jakarta, Bandung, Yoyakarta, Surabaya and Bogor. The result of in-depth information about NF PPSDMS management system and response charts the participant during his coaching PPSDMS NF.

EXPLANATION

Identities of PPSDMS Nurul Fikri

Vision of PPSDMS Nurul Fikri is "Birthing the future leaders who have a comprehensive understanding of Islam, integrity and credibility,”

PPSDMS Nurul Fikri has missions for reaching their vision:

1. Training and developing the best student as cadres of the nation's leaders
2. Doing PPSDMS institutional development in various regions in Indonesia
3. Spreading and growing alumni PPSDMS to society as leaders formidable
4. Preparing to play in the alumni PPSDMS agencies, institutions or strategic institutions, the interests of the nation and the state.

They have base value which held as principles:

1. Comprehensive Islam
2. Integrity
3. Credibility
4. Leadership
5. Nationalism

At least participants of PPSDMS Nurul Fikri have following four identities:

1. Each participant of PPSDMS Nurul Fikri must be Islamic activists. They are young people who apply religious piety in life every day, not only for mere personal piety but also for social piety. The piety should be able to humanize, liberate, and transcend state and nation. They continue to forge their self to be individuals who always do good and avoiding evil.
2. Each participant of PPSDMS Nurul Fikri must be activist of movement. They are ones who are able to collaborate and synergize with various groups at the regional and national level. They are fighter for anti-corruption movement, education empowerment, and inspiratory for poverty alleviation.
3. Each participant of PPSDMS Nurul Fikri is student achievement. In addition to being chairman of the student organization, they are also a role model, mentor, consistent in their field of academic lecturer. They are also good at creating public opinion by writing a lot in the media and become champions in a variety of scientific competition, writing, debate, sports and others. They are able to balance academic achievement, organizational performance, and achievement in competition.
4. Each participant of PPSDMS Nurul Fikri should uphold togetherness. The atmosphere of dormitory was diverse, not hinder young leaders to know, understanding, helpful, and to bear rigors of life each other. For them a thousand friends are too few but one enemy is too many, because it's a two-year fellowship will form a solid environment.

Ten Aspects of Coaching and 20 Success Criteria

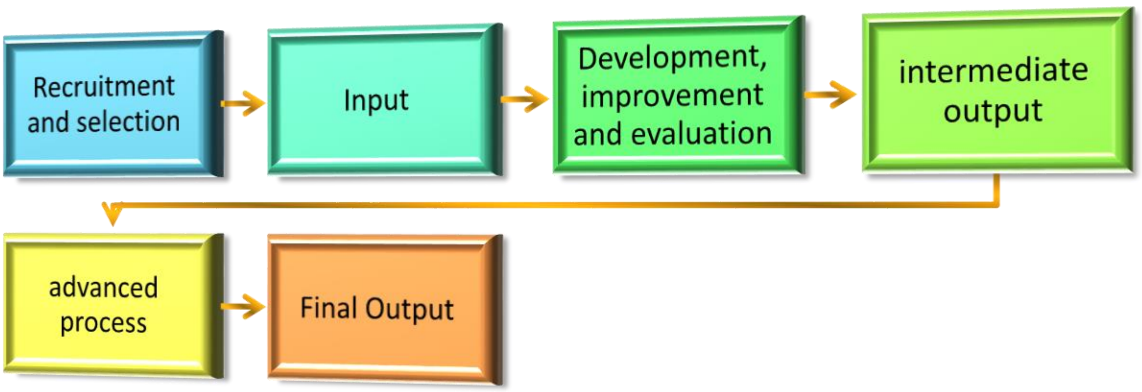
Islam as a Paradigm	
1	Understanding Islam as a comprehensive system for life and all aspects of human life
2	Able to build unity and seeking common ground with various groups or classes in society
Personal Quality	
3	Having and developing leadership capacity
4	Actively acting as an effective leader in a variety of activities and organizations
Insights think broad and comprehensive	
5	Actively participating in various seminars outside the program PPSDMS
6	Reading, understanding, and showing at least one book per month outside the lecture book
7	Having initiative to develop insight and information through a variety of means and media available
Academic achievement	
8	Being able to reach GPA / Semester over 3 during the program of PPSDMS
Preparation for professional development	
9	Winning the competition to support preparation of profession
10	Ability to create and maintain a network of leaders in accordance with the plans of his career
11	Having a mature life planning for long-term and concrete short, medium and long
Communication skills	

12	Writing and submitting articles each month to national media or campus media
13	Having English skills equivalent to a minimum TOEFL score of 500
Worship and soul purification	
14	Keeping worship obligatory and standards sunnah of PPSDMS
15	Being able to read the Qur'an properly and memorize two chapters (Juz) of the Koran after graduation PPSDMS
Nationalism and social care	
16	Understanding historical development of the leadership of Nation
17	Caring for the problems and challenges facing the community, nation, and state
Healthy and strong physic	
18	Having a healthy and fit physical
19	Achieving blue belt as minimum Taekwondo level
Appreciation of art and culture	
20	It has aesthetic and artistic sensibility that supports the role and duties as leader

System of Management and Coaching

The Basic Framework of Development Management

In the development activities undertaken, PPSDMS doesn't stop until the two years (1 period). To achieve final output, alumni will continue to advance coaching process. Broadly framework of PPSDMS management can be described as follows:



Recruitment and Selection

The process begins with recruitment and selection for participants as long as three stages about six months. The stages are as follows:

1. Phase I: selection of administrative, including completeness and suitability of candidates for the files concerned with the basic criteria set.
2. Phase II: written tests, including tests of academic potential, English language, and spiritual capital assessment
3. Phase III: presentation test, interview and medical examination.

Basic process

The stages of rigorous selection are expected to produce the appropriate input for further processing, such as PPSDMS participants who have a reasonable chance to be able to meet 20 criteria for success after following basic processes, such as coaching as long as two years in the dorms.

The basic process consists of formation and development which cover 10 aspects of leadership development and coaching evaluations. These aspects are given to participants through stages and PPSDMS curriculum development.

The basic process that will go for two years there are five parties who key role, namely: central board, dorm supervisor, Regional Chairman, Builder of Routine (weekly) Islamic Study and Alumni. The basic process is going well and will provide optimal results not only when five parties are working optimally, but also if they establish interaction and communication intensive, productive and contributive. Relationships among five main "actors" can be described as follows:

	Central Board	Dormitory Supervisor	Regional Chairman	Builder of Routine Islamic Study	Alumni
Central Board		Direction, coordination and evaluation; Coaching, counseling and empowerment	Coordination; Exchange of information on the development of participants; Exchanging thoughts about the coaching process, participant evaluations, dormitory management, etc.	Coordination; Exchange of information on the development of participants; Exchanging thoughts about the coaching process, participant evaluations, dormitory management , etc.	Giving Suggestion
Dormitory Supervisor	Coordinating schedules of PPSDMS around the central board; Reporting; Consulting and asking for input; Informing participants progress		Responsible for coaching continuity in the dorms; Coordination; Informing the development of participants; Consulting and asking for input	Coordination; Exchange of information on the development of participants;	Providing slots for sharing time with alumni ; Request individual link and institutional donors; Asking for input on development activities in the dorms
Regional Chairman	Coordination; Exchange information about progress of participants; Provide input on the development, evaluation participants, dormitory management, etc.	Coordination; Providing direction, consulting, couching, counseling; Providing supervision and evaluation of development programs		Coordination; Consulting; Exchange and share information regarding progress of participants	Coordination about activities of regional alumni; Giving effort for developing PPSDMS as community leadership
Builder of Routine Islamic Study	Coordination; Exchange of information about progress of participants; Providing input	Coordination; Exchange information about progress of participant; Providing input	Coordination; Exchange of information on the development of participants		Asking for feedback specifically on the implementation of Routine Islamic Study
Alumni	Providing Suggestion	Asking for time slots toi share with participants, providing a link individual and institutional donors; Providing input on development activities in dorm	Sharing condition of alumni in regional, Providing input, Doing development efforts through leadership community	Providing specifically input for being implemented in Routine Islamic Study	

Evaluation Guidance

Development evaluations are done by three mechanisms, namely monthly evaluation, quarterly evaluation and final coaching. In the monthly evaluation, each participant is obliged to fill out progress report form each month. This form contains performance coaching activity, organization and they accomplishments that have been achieved by the participants in the months. Quarterly/ semester Evaluation conducts every six months of coaching. Participants will be given an evaluation form to assess their own half and linked with 20 criteria of PPSDMS. Based on the evaluation semester, central board will determine the status of the participants- passed, passed with probation/records, or not pass and will be dismissed.

The last evaluation mechanism is final evaluation that conducted at the end of four semesters during coaching. The participants should complete and send final report of participant development. Together with regional and central board, they conduct feasibility assessment for participants before they are stated as alumni of PPSDMS Nurul Fikri with refer to their standard.

Advanced Process and Outcomes

Participants who have successfully completed two years of program based on 20 criteria of success will then graduate as alumni PPSDMS. The graduates will then be actively involved in coaching activities and empowerment of alumni, coordinated by the Manager of Alumni PPSDMS in order to PPSDMS alumni will be able to become new leaders, prophetic leader according to PPSDMS vision.

Stages and Curriculum Development PPSDMS

In order to reach coaching goals both personally and collectively, PPSDMS created stages for two years as follows:

Internalization Stage

PPSDMS needs first three months of coaching program. Participants are expected to internalize the vision, mission and principles of PPSDMS. In addition to regular coaching program, there are some special programs which organized as follows internalization stage:

1. Depth introductions among participants
2. Making Friendship with local people
3. Preparation of dormitory management
4. Making a dorm constitution
5. Preparation for book of regional profile
6. Award for the best participants monthly
7. Award for the best regional monthly
8. Preparation life goals and life plan
9. Participants should breakdown their life goals/life plan in five-year and one-year program

Formation and Maturation Phase

After getting the basics of coaching in the internalization phase, participants enter core stage. It is process of formation and maturation. This process takes time from the 4th month until the 8th. Special programs at this stage are Composite Training, Community Development program, TOEFL Class and Education and National Leadership Program within out bond activity.

Actualization Potential and Preparing for Being Alumni Phase

After 1.5 years of coaching program, participants should actualize their potential. This is final stage which takes time in month 19th until month 24th in coaching program. Thus it can be said that this is proof of the coaching process for 1.5 years in the dorms.

At this stage also, step away Participant will be graduated as alumni. So for that reason, PPSDMS needs a variety of preparations to support next participant's achievement. For example, PPSDMS introduces to participant about PPSDMS alumni associations, collects initial data about alumni and shares ideas and suggestions from alumni PPSDMS before. When participants actually graduate from PPSDMS, they know very well step by step to continue their idealism and face real world.

Program Development

PPSDMS coaching programs can be grouped into four, namely: special programs, monthly programs, weekly programs, and daily programs.

Special Programs	
National Leadership Camp (NLC)	
Direction	Preparing PPSDMS participants physically, intellectually, emotionally, and spiritually to follow a two-year coaching program in the dorms
Leadership Project (LP)	
Direction	Familiarizing the participants to have direct contact with the public, with their problems and train to provide solutions
Latihan Gabungan (Joint Exercise)	
Direction	Building ties among West Regional(Jakarta/Regional I, Bandung/Regional II, Bogor/Regional V) and among East Regional (Yogyakarta/Regional III and Surabaya/Regional 4)

TOEFL Class	
Direction	Improving overall English proficiency demonstrated by a TOEFL score> 500
Monthly Programs	
Contemporary Islamic Studies (Bahasa: Kajian Islam Kontemporer / KIK)	
Direction	Building paradigm and comprehensive understanding of Islam which moderate, inclusive, and visionary. So that participants of PPSDMS to be able to run the mission as rahmatan lil alamin
Self Development Training (Bahasa: Training Pengembangan Diri / TPD)	
Direction	Building prophetic leadership paradigm. Providing techniques to explore and optimize personal strengths, improve weaknesses, and work together in order to overcome these limitations. Building and enhancing self-management skills and organizational management in order to be personally productive and contributive team player
Leaders Dialogue (Bahasa: Dialog Tokoh / DT)	
Direction	Opening horizon comprehensive thinking about contemporary circumstances and future prospects of the political, economic, social, cultural, science and technology, defense, environment and human rights
Duration	Each meeting is one session, about 90-120 minutes
Discussion Post Campus (Bahasa:Diskusi Pasca Kampus/DPK)	
Direction	Giving an accurate, complete and comprehensive understanding of real world post-college and tips to deal with it. Motivating and inspiring the participants to prepare seriously themselves to be able to build a meaningful career in the public sector, private sector, and / or third sector
Journalism Training(Bahasa: Pelatihan Jurnalistik / TJ)	
Direction	Improving the understanding and appreciation of the participants to the ins and outs of the world in journalism and the influence of mass media Improving the ability of the participants to analyze the news Improving participants' ability to communicate thoughts and ideas in a variety of writing Increasing participation in filling newsletter, website and PPSMDS's library
Library Studies (Bahasa: Studi Pustaka/ SP)	
Direction	Expanding horizons of thinking and analytical skills which are needed to strengthen transform and perform the role as a leader through structured study of various books.
Weekly Programs	
Routine (Weekly) Islamic Study (Bahasa: Kajian Islam Pekanan / KIP)	
Direction	Giving true picture of Islam and thoroughly to the participants, so they make Islam as a way of life
Tahsin & Tahfiz Al Quran	
Direction	Improving quality and quantity of the interaction with Quran which can effect sense for loving and alignments in Al-Quran Improving the quality of the reading of the Quran and on occasion according to the criteria of success PPSDMS
Taekwondo	
Direction	Building and strengthen self-discipline, sportsmanship, mental strength and physical quality. Fasilitating participants to achieve blue belt in Taekwondo level
Family Meeting	
Direction	Discussing development of the dormitory management Evaluating completion of coaching duties Evaluating implementation of development programs either from central or regional agreements Build unity among the participants in a dorm PPSDMS
Togetherness in Sport	
Direction	Maintaining physical fitness Strengthen sense of family among the participants
English Day	
Direction	Improving the ability and courage to communicate in English verbally
Ceremony and Reception	
Direction	Cultivating a spirit of nationalism Exercising discipline
Daily Programs	
Meeting in Cockcrowing	
Direction	Cultivating spiritual capital as stock activities and leadership Familiarizing participants to use special times for worship on morning

Special Programs for Female	
Women Leadership Studies	
Direction	Providing leadership training from competent persons especially women Participants will build confidence in its leadership potential Giving important understanding aspects of female leadership
Fiqh Women's Studies	
Direction	Providing understanding of the important aspects from female leadership in the eyes of Islam Provide guidance in empowerment potential of women's leadership in accordance with nature
All About Women	
Direction	Strengthening friendship among participants Providing materials womanhood in a more interactive and semi informal

PROGRESS

Alumni of PPSDMS

							Total
		Jakarta	**Bandung**	**Yogyakarta**	**Surabaya**	**Bogor**	
Batch	I	20	-	-		-	20
	II	20	20	24	20	-	84
	III	25	30	28	29	27	139
	IV	30	32	30	33	28	153
	V	62	31	31	31	28	180
Total		126	113	110	113	83	576

From above explanation, with increasing alumni from year to year is needed empowerment alumni systemic management and programmed properly. Alumni PPSDMS have a lot of roles currently includes:

1. Advising, providing both spiritual advice, or a career that graduates have a strategic role in accordance with their fields
2. Advocating, actively helping graduates to be consistent with the ideals of life that has been designed.
3. Networking, sharing pertinent information networks that support career goals or interests in order to facilitate achievement of alumni.

Survey Three Month Period Internalization PPSDMS

The development of PPSDMS makes author makes survey related to the successful achievement of the vision and mission for three months of internalization. This survey was given to 218 participants in five Regional. Questionnaires conducted during month of October 2012. They subjectively qualitative assessment of what they have earned during the phase of internalization in the dorms. The following graph survey results that have been implemented:

Participants give an assessment about the clarity of vision and success criteria of PPSDMS during stages of internalization. Assessment starts from one that shows so bad condition to number ten that show excellent judgment. The results are expressed as much as 15% clarity of vision and success criteria PPSDMS Nurul Fikri has been excellent. Followed by an assessment, nine as much as 33% and 38% for eight. The condition leads to be very well criteria.

The results of culture that flourished in dorm of PPSDMS Nurul Fikri, the biggest percentage for eight as much as 48%. Followed by 27% for for nine. The trend has led to the favorable conditions of cultures and values which have been grown in every dorm.

The results of quality development programs, the biggest is 37% for eight followed by as many as 33% for nine, 14% for seven, and 13% for 10. Assessment of quality coaching programs PPSDMS Nurul Fikri leads to excellent condition.

The results of the assessment about success of development programs in building leadership paradigms and behaviors of participants, gives the highest percentage 41% for eight, 28% for nine. The trend leds to good condition criteria again.

The results of performance of central board as much as 40% for eight, followed by 31% for nine. So its performance leads to excellent condition.

And the results of the performance of regional board as much as 39% rate for eight, followed by 34% for nine. So this performance leads to excellent condition as well.

Achievements

These are part of updates achievement which are got by alumni of batch V (2010 – 2012). They got these achievement after graduate from PPSDMS. Some achievements could be gotten through process while they're still as participants in PPSDMS.

Name	Departmen t/ Batch	Univers ity	Achievement	Name	Departmen t/ Batch	Universi ty	Achieveme nt
Organization Achievements				**Academic Achievements**			

Achmad Firmansyah	Environmental Health/2008	UI	Chairman of Student Advisory Council (UI)	Alfan Prasekal	Electrical Engineering /2009	UI	Second Achievement Student
Faldo Maldini	Physics/ 2008	UI	Chairman of Executive Body of Student	Aisyah Iadha Nuraini	Industrial Engineering / 2008	UI	Take Fast-Track for Master Degree
Rosidi Rizkiandi	History/2008	UI	Vice Chairman of Executive Body of Student	Avina Nadhila Widarsa	Internatioanl Relations/ 2008	UI	Cum Laude, Master degree in NTU Singapura
Putri Bilqish	Law/ 2009	UI	Chairman of Student Advisory Council (Faculty of LawUI)	Muqtafi Ahmad	Informatics Engineering / 2008	ITB	Grantee of DIKTI Scholarship for taking master degree
Adam Habibie	Geology Engineering/ 2009	ITB	Chairman of Campus Propagation Institut	Faisal Arief Kamil	Politics & Government / 2009	UGM	Achievement Student of Faculty of Social and Politics
Anjar Dimara Sakti	Geodesy & Geomatics/ 2008	ITB	Chairman of Executive Body of Student	Hanif Azhar	Product Design & Industrial/ 2008	ITS	Fast Track for Master Degree in France
Lutfi Hamzah Husin	Politik & Pemerintahan/ 2008	UGM	Council Student Representatif	Farizi Rachman	Statistics/ 2008	ITS	Scholar for master and doctoral degree in Germany
Imron Gozali	Teknik Kimia/ 2008	ITS	Chairman of Executive Body of Student	Arif Syaifurrisal	Aquaculture / 2009	UNAIR	Third Achievement Student of UNAIR
Arif Syaifurrisal	Budidaya Perairan/ 2009	Unair	Chairman of Executive Body of Student	Alfi Irfan	Economic & Enviromental Resources/ 2009	IPB	Achievement Student of Faculty of Economic and Management
Baehaki Fajri Ibnu Abbas	Budidaya Perairan/ 2008	IPB	Chairman of Student Advisory Council				
Fatulloh	Statistika/ 2008	IPB	Vice Chairman of Executive Body of Student				

Name	Department/ Batch	University	Achievement
Non - Academic Achievements			
Arry Rahmawan Destyanto	Industrial Engineering/ 2008	UI	Writer of Books: “5 Kunci Siswa Hebat” & “Menjadi Pengusaha Muda itu Mudah”
Yasir Arafat	Physics/ 2009	UI	Second Champion of Understanding Quran Competition in National MTQ for Student XII, Makassar
Mulyana	Law/ 2008	UNPAD	First Champion for Legislative Drafting in national scope about

			Academic Manuscript & Draft of Education legislations
Ridwan Wicaksono	Electrical and Information Engineering / 2009	UGM	First Champion for 1st Place Competition Engineering Research & Technology Technology in the Ministry of Research and Technology
Noerma Pudji Istyanto	Informatics System/ 2008	ITS	First Champion for Business Information Systems on Holiday Competition, National Level
Septian Suhandono	Community Nutrition/ 2009	IPB	First Champion for Business Plan Youth Agrotechnopreunership Competition National Level, First Champion for Writing Contest in field Medical Nutrition Association of Student Nutrition Institute Indonesia (ILMAGI) National Level
Alfi Irfan	Economic & Enviromental Resources/ 2009	IPB	Second Champion for Tournament of Debate about "Economics for Ecology, Sumy State University, Ukraina

CONCLUSIONS

Stages of internalization can be said as successfull phase. Because from point of view of participants through the assessment given good result during three months.

All of programs are setted in order to participant could get balance understanding and ability to reach their achievement. And some achievements involves the other people (ex: Organization Achievement) so their presence is expected to be an inspiration and an agent of better changes.

However, this assessment needs to be refined again mainly by assessment from PPSDMS Nurul Fikri central board which can measure achievement of each participant and regional.

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Global Financial Crises And Its Effect On Islamic Finance

Dr. Aly Khorshid

Introduction

The Islamic finance industry today offers a broad variety of products and services as well as corporate finance, project finance, equity funds, personal and wealth management, venture capital investment, real estate investment and private equity, mainly providing Islamic trade financing solutions. Structured in accordance with Shariah principles are all these products and services, as interpreted in their respective jurisdictions. The *Shariah* compliant capital markets products have gathered acceptance in the global market and are now shaping up into an attractive investment in market place. The demand for *Shariah* compliant securities has been high and is growing the supply side is also witnessing increasing activity.

The development of Shariah compliant securities "Sukuk" is one of the capital market products that have been developed to avoid the Islamic prohibition of *Riba* (interest). Sukuk (plural of Sak) mean certificates and papers with the features of liquidity, tradability and cash equivalence, while a conventional bond is a promise to repay a loan, Sukuk present partial ownership. They're several types of Sukuk, Ijarah Sukuk, Mudarabah Sukuk, Istisna Sukuk, and Musharakah Sukuk

Islamic Perception of Money

Money is a social convention and was invented based on the need to facilitate socio-economic activities. Progress in business has transformed money, and it has evolved from its original basic functions to sophisticated modern applications. Money is an integral part of the financial system and has a fundamental effect on the whole system.

From the Islamic point of view, money should be observed as a medium of exchange and a standard of measurement. Money is consideration, not an object that can be traded or something that is expected to generate returns without economic activities. Money is neither a productive good nor consumption good. Therefore, if money needs to be exchanged with money, the Islamic injunction on trading *ribawi* material is applied. Such a transaction must take place with the condition that it is on spot basis and for an equal amount. Similar to conventional finance, in Islamic finance money exchanged with money on a deferred basis has become a norm, and the repayment of loaned money with additional

Islamic Debt Securities (Sukuk)

As far as the Islamic finance industry is concerned, Sukuk are not new. Since the early days of Islamic civilization the concept of Sukuk has been in use – in the first century Hijri (corresponding to the seventh century AD) the Umayyad government would pay soldiers and public servants both in cash and in kind. The payment in kind was in the form of Sukuk, which is commodity coupons or gain permits.

Sukuk re-emerged in Bahrain in 2001, almost fourteen centuries after they were first recorded, as an Islamic alternative to conventional debt securities. In the domestic market, the State of Bahrain offered Sukuk with an al-ijarah issue. The issue amount was US$250 million and had a tenor of five years. The Sukuk al-Ijara concept was derived from prevailing practices of "lease ending with purchase" (Ijara muntahiyah bi-tamlik) known in conventional finance as "financial lease". The Sukuk carried six monthly lease rentals that were fixed at the lease inception and paid in arrears during the lease term. The Sukuk offering was highly successful. The Bahrain Sukuk issue was a major milestone in Islamic finance as it marked the birth of an Islamic capital market where Islamic equity and debt-based instruments are issued and traded. Another landmark was initiated by Malaysia in 2002 when it issued the first Islamic securities that complied with US Regulation S and Rule 144A formats that are used for conventional global bonds. Prior to that in December 2001 Kumpulan Guthrie Berhad, a Malaysian public listed company involved in the plantation and construction sectors has offered a Sukuk al-Ijara. A number of successful Sukuk issues have followed, including the Islamic Development Bank's offering of US$400 million Sukuk in 2003, the State of Qatar's US$700 million Sukuk al-Ijara issue in 2003 and the Kingdom of Bahrain's US$250 million Sukuk al-Ijara issue in 2004. In the Islamic finance markets these successful issues have created much excitement and more issuers looking for a viable and attractive alternative source of funds are considering the Sukuk option.

Features of Sukuk

A fundamental requirement of Shari'ah is that the security must reflect or evidence the security holder's share in an underlying asset or enterprise, which must of course be Shari'ah compatible. On the basis that the security reflects the holder's ownership of the underlying assets of the company, contemporary Shari'ah scholars have allowed investment in equity or share in a company. Through the ownership of the company, the shareholders are deemed to indirectly own the company's assets.

A conventional bond typically confers on the bondholder a contractual right to receive from the issuer of the bond certain interest payments during the life of the bond and the principal amount at the maturity of the bond. Creditors to the issuer of the bond are the bondholders themselves and are ranked as senior unsecured and unsubordinated creditors of the issuer in priority to the shareholders.

Bonds vs. Sukuk

A bond is evidence of debt issued by the issuer or borrower to an investor or lender, an IOU with a promise to pay the debt or the financial obligation at the end of a specified period. It is also a debt instrument with fixed return (loan + interest), the obligation to pay the debt being evidenced by papers certificate called bonds or securities issued by the borrower or issuer; these certificates are tradable on the secondary market. Bonds are evidence of indebtedness only.

Sukuk provide evidence of financial obligation from the issuer to the Sukuk certificate owner of the underlying asset. It is an asset instrument whereby the issuer pays the value being evidenced by a paper certificate called a Suk, or securities issued by the issuer. This paper certificate is tradable on the secondary market. Sukuk are evidence of assets, not debit; therefore, Sukuk are wider and have higher value than bonds.

Global Financial Crises

The global financial crisis shook the international financial system around the globe, and its repercussions are still being felt globally. Owing to its severity it has been labeled as the worst crisis since the Great Depression. It is now, more than ever before, clear that the current financial system is not stable and that the invisible hand is not doing what its proponents claimed.

The prolonged period of “the great moderation”, together with runaway credit growth, paved the way for the current crisis. Easy money, uncontrolled growth of credit and debt, lax regulation and supervision, innovation of complex and opaque financial products, mismanagement of risks involved, lack of disclosure and transparency, predatory lending and high leverage – among other factors – are thought to be the main culprits behind the crisis The current global financial crisis brought Islamic financial industry (IFI) into the limelight as a possible alternative. However, IFI has not been totally immune to the crisis; it has been hit as well, although to a much more moderate extent. This may indicate a possible correlation between IFI and its conventional counterpart, as it lives under the same umbrella and is governed by the same rules of the game.

Being a niche industry, Islamic finance faces considerable challenges. The way the industry responds to these challenges will determine whether it will become “a significant alternative to the conventional system in global financial markets” (Karuvelil, 2000). Moreover, lack of an efficient legal framework and of standards and procedures, qualified manpower and effective government support exacerbate the risk exposures of IFI (Khorshid, 2009).

The limited impact of the global financial crisis on IFI, there are many lessons that should be learned from it, and commensurate steps must be taken within IFI in order to make it more resilient to similar shocks. One of the steps necessary for strengthening the resilience of Islamic finance, according to Bank Negara Malaysia is the assimilation of Shari’ah values in the realization of benefits to the relevant stakeholders.

Islamically for justice, fairness, cooperation and shared responsibility. Its goals go far beyond monetary indicators and growth as it promotes ethics, responsibility and market discipline (Aziz, 2008; Chapra, 2008). This is an opportune time for IFI to reduce reliance on debt-like products and move closer to equity-based, risk-sharing instruments. However, whatever choice is made by the industry, there is a need for an efficient regulatory and supervisory framework that will stay ahead of the market so as to prevent regulatory arbitrage from making significant inroads in the market (Aziz, 2008; Mirakhor and Krichene, 2009). An effective system of checks and balances has to be constructed that will help avoid making mistakes similar to those which led to the current crisis.

Social interest. Among the Islamic countries, Malaysia has had by far the greatest success in creating a flexible, innovative environment with the potential to provide both the incentive structure as well as the administrative apparatus to allow steps towards developing new risk-sharing instruments under an effective regulatory structure. The country’s courageous step of unifying the Shari’ah-ruling framework, as well as its long standing commitment to provision of human capital to IFI and its encouragement of innovation, gives it a leadership position that can serve to strengthen the progress of Islamic finance.

Islamic finance is a limited niche activity; while international financial markets are dominated by Riba based activity. There are significant pressures from international organisations such as the IMF and the WTO for Muslim countries to open up their financial markets to multinational banks. International rating agencies such as Moody’s and Standard and Poor classify Muslim government debt and rate commercial banks, and even some Islamic banks, which affects the terms on which they can conduct their business. The Basle based Bank for International Settlements has capital adequacy guidelines that pose significant challenges for Islamic banks and Islamic finance more generally.

Islamic finance has become a worldwide industry, with assets under management in accordance with the Shariah law valued at over $1.4 Trillion US Dollars. Within individual countries, especially in the Muslim world, Islamic finance plays a significant role, with the financial systems of countries such as Malaysia, Pakistan, Iran and the Sudan operating under the Shariah law. Other countries such as the Gulf States Islamic banking are playing an increasingly significant role, accounting for over 40 percent of deposits in Kuwait and Qatar. Bahrain has become a major regional center for Islamic finance. At the same time many major multinational banks including Citibank, HSBC, ABN-AMRO and Deutsche Bank are offering Islamic financial products, while in Malaysia a sophisticated market in Islamic securities has developed, and Bahrain is providing money management instruments that comply with the Shariah law.

The Muslim world was exploited in the 19th century and for much of the 20th century with the penetration of western capital, but in its early years, Islam itself promoted globalization through the transmission of its value system, a process that has been reinvigorated in recent decades. Contemporary globalization involves not merely freer trade and capital movements, but also the communication of ideas by new methods including the Internet. Indeed it is the advance in information and computer technologies that is one of the major forces driving globalization, which makes it possible for market participants and regulatory bodies to collect and process the information they need to measure, monitor and manage financial risk and to price and trade complex new financial instruments. Islam, and Islamic finance in particular, has a message to spread, and global networks are arising for this purpose. It is the spread of ideas rather than mere money that is the greatest challenge, but one that presents hope for Muslims.

To some extent these views of globalization may reflect disciplinary biases rather than different strands of Muslim thought, this in itself demonstrating the dynamic interaction of western ideas with modern Islamic scholarship. These ideas can be applied to Islamic finance, which facilitates the creation of Muslim wealth that can be used for social purposes.

The role of Islamic banks and financial institutions can be to enable this process. In contrast the hoarding of personal riches, even in Muslim countries, makes those that hoard subservient to and dependent on global secular capitalism with its corrupting influences. Capitalism without faith is corrupt but cannot generalize

Within international financial organisations there is considerable interest in Islamic banking, and it would be wrong to see those organisations associated with the “Washington consensus”, notably the IMF and World Bank, as being antagonistic to Islamic economic ideas. Indeed the IMF sponsored a study back in the 1980s on Islamic banking that was seen by many as an important contribution to the growing literature at that time, and a work that helped bring Islamic finance to the attention of a wider non-Muslim readership. At the macroeconomic level there has also been a willingness by the IMF to encourage investigation of how monetary policy can operate and debt management handled in compliance with Islamic principles.

The World Bank has long had close relations with the Islamic Development Bank and both organisations have co-funded projects in a number of Muslim countries. There are also a number of Muslims working for the World Bank who are enthusiastic about Islamic finance, and keen to point out the merits of such a system.

General Agreement on Trade in Services (GATS) and the opening up of domestic retail and investment banking markets from an Arab banking perspective, within the Islamic financial community only limited attention has been paid to the issues of international banking competition. The majority of middle and high-income Muslim states are World Trade Organisation (WTO) members, including Malaysia, Turkey, Egypt, Jordan, Tunisia, Morocco and five of the six GCC states. This membership not only has implications for trade, but for financial services through the GATS provisions for the opening up of markets for banking and insurance. In some Muslim states such as Egypt and Syria the banking system is largely state owned, while in other states, notably Kuwait and Saudi Arabia, there are limitations on the share that foreign institutions can hold in the ownership of local banks. Privatization of the state owned banks, and the removal of ownership restrictions is likely to result in the take-over of local banks by multinationals.

Muslim countries can open up their conventional banking sector under GATS while still protecting their Islamic finance sector using infant industry arguments. In the January 2002 Trade Policy Review of Pakistan, the review team noted Pakistan’s commitment to liberalisation under GATS in forty seven activities including banking, insurance, business and communications. Pakistan requested and received GATS exemptions under the most flavored nation clause (MFN) in financial services where there were reciprocity agreements and in Islamic financing transactions. This ruling by the WTO should help the position of Islamic banks in Pakistan, demonstrating that a sympathetic treatment of globalization issues can prove beneficial to those seeking to ensure Shariah compliant financing facilities are offered to potential Muslim clients.

As financial systems become more open, national discretion in the determination of interest rates is reduced, as if money flows freely, differentials in inter-bank rates between currencies will largely reflect exchange rate expectations in relation to a dominant currency, usually the United States dollar.

Most Muslim countries apart from the GCC member states maintain controls over capital movements and some payments restrictions for import transactions. IMF structural adjustment policy encourages member states to eliminate multiple exchange rates and float currencies so that an equilibrium currency rate can be determined in the foreign exchange market, potentially facilitating the reduction of external deficits. In practice the results of such policies have been mixed in the Muslim world, but in the longer term the dismantling of foreign exchange controls seems likely for most countries. This will create additional opportunities for Islamic banks to offer Murabaha trade financing facilities as well as leasing, Ijara, and project financing, Istisna. With foreign exchange liberalisation the pricing of Islamic financing products has to be internationally rather than simply nationally competitive.

The Basel Accords, the rating of Islamic banks and FSAP financial monitoringLike conventional banks Islamic banks are not only regulated by the central banks of the countries in which they are based, but they are also potentially subject to the scrutiny of international monitoring agencies, notably the Bank of International Settlements (BIS) in Basel. National regulation by central banks is also subject to international inputs, an example of this being the IMF and World Bank intervention through the Financial Sector Assessment Program (FSAP), which was started as a response to some of the issues raised by the Asia financial crisis of 1997. The annual reports of Central Bank Governors of Asian countries such as Malaysia and Indonesia are monitored and disseminated by the BIS, including their reviews of Islamic banking developments. In addition there is also continuing assessment of both Islamic and conventional banks by other commercial financial institutions, a process facilitated by the work of the ratings agencies.

Although there is no obligation to adhere to the BIS minimum requirement of 8 percent of capital to risk weighted assets, Islamic banks that are seen as being adequately capitalized are more likely to have their trading instruments recognised, and can negotiate better terms for their assets which are managed by other banks. Capital therefore can be a constraint on Islamic bank growth, especially when the bank has been successful in rapidly building up its deposit base. Often it has taken longer for Islamic banks to identify profitable lending opportunities than build up their deposit base, which implies lower initial profitability. This may delay stock market quotation to increase the capital base, or where the bank is already a quoted company, it may preclude rights issues to raise additional capital.

The IFSB is to serve as an association of institutions that have responsibility for the regulation and supervision of the Islamic financial services industry. The aim is to set and disseminate standards and core principles as well as adapt existing, mainly AAOIFI, standards. Adoption of the standards will be voluntary, but banks and countries that adhere to the standards are likely to be more favorably rated. The IFSB is also responsible for liaison and cooperation with other standard setters, including central banks and security market regulators, in the area of monetary policy and financial stability, opening up the possibility of the adoption of Shariah law in this area for the first time. In addition the IFSB is responsible for the promotion of good practice in the area of risk management through research, training and technical assistance.

Standardisation of Islamic financial products can come about by adhering to international regulations, whether from secularist institutions such as the IMF or BIS or from designated Islamic international institutions such as the IDB, AAOIFI or the IFSB. It can also result from the interchange of ideas by national Islamic banks at international conferences, which encourages the spread of "best" practice. Even more influential in standardisation has been the emergence of major multinational banks and fund management groups as providers of Islamic financial products either directly to their own clients, or indirectly to those of the national Islamic banks. As HSBC Amanah Finance typifies this type of initiative by a major multinational bank, it is perhaps instructive to examine its experience.

Despite its size as the largest United Kingdom based bank, with a significant presence in many Muslim countries from the Middle East and the Gulf to Malaysia, HSBC was a relatively late entrant to Islamic finance. Banks such as Citicorp, ABN AMRO, Deutsche Bank and some of the British merchant banks were involved from the 1980s, but HSBC only established its Amanah Finance division in 1998. In its mission statement HSBC Amanah Finance stresses its respect for the sanctity of the Shariah, its professionalism, uncompromising integrity and strong customer focus. The aim is to build Amana's reputation amongst Muslim clients of HSBC who already use its financial products and potential internal and external clients. Initially the emphasis has been on cross selling Amanah products to existing HSBC Muslim customers who use its conventional financing facilities, the internal clients, rather than reaching external clients of other banks through marketing and advertising the Islamic products. Direct cross selling is cheaper, and usually more effective given the captive nature of the market.

Credibility with Muslim communities internationally rather than within single countries is important for multinational banks such as HSBC. Reputations can be enhanced internationally by having Shariah committee members accountable who combine academic scholarship with practical work on the Shariah committee and understand Western economics system and Islamic economics.

Towards a pluralist international financial systemFar from being a threat to Islamic finance, globalization provides an opportunity. Islamic finance extends choice, and enables Muslims internationally to conduct their financial affairs in a manner that is consistent with their beliefs and values. Many non-Muslims are concerned with the ethics of how their money is utilized and their financing derived, hence the rise of the ethical finance industry encompassing some western banks and many mutual funds. Western and Eastern non-Muslim clients have shown their willingness to use Islamic financing when it is attractive. HSBC Amanah financing, for example, have found that 20 percent of their Malaysian clients are non-Muslim Chinese. Islamic finance adds value to the international financial system and encourages non-Muslims to think more seriously about debt issues, from the injury caused by lending sharks in the consumer loan market to the issue of developing country debt.

The challenge of globalization is both to regulation and to markets, with a widening in the remit of the former and in the breadth and depth of the latter. Islamic finance should not only be judged by its quantitative impact on global markets, which though increasing, remains small, but more importantly by the quality of the service and its effect on the perceptions and thinking of global financial players. Ultimately finance is more about values than the mere accumulation of money. Finance is also concerned with social responsibilities, including that of the wealthy towards the less fortunate in an often too selfish global economic order based on greed rather than economic justice.

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An Assessment Of Islamic Work Ethics Of Employees In Organizations: Insights From The United Arab Emirates (UAE)

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ABSTRACT

Purpose – The purpose of this paper is to present a critical assessment of Islamic work ethics (IWE) of employees in public and private organizations in the UAE.
Design/methodology/approach – The work uses a quantitative survey method to sample the opinions of employees in both public and private organizations in the UAE on IWE.
Findings – Findings of the study revealed that the ability of a worker to balance his or her personal and organizational needs in the work place meant success to his religious and organizational life. Also, findings showed that being productive in work organizations should not be tied to the amount of money one gets, and that illicit behavior like stockpiling grains and other essential commodities for the purpose of profit - making in times of need is unethical and un-Islamic.
Practical implications – This study clearly indicates the need for employees and managers to uphold the Muslim teachings which can be manifested in their daily work attitudes (best practices) in the various organizations.
Originality/value –The study highlights the various ethical variables that employees believe are essential to work organizations while keeping faith to the Islamic religion.

Introduction
In recent years, attitudes toward work in organizations are being assessed as the panacea to organizational success. In fact, empirical results provide strong evidence that commitment to work ethics and 'Professional integrity' as a moral quality or virtue has become increasingly topical (Banks, 2010). Work ethics and employee commitment to ethical work patterns are important subjects in organizational studies, and work ethics in particular form an integral part of an organizational set up (Peters and Waterman, 1982; Singhapakdi et al., 1995). Both employers and employees have equal role in bringing up the work ethics which should be practiced in organizations. The relationship between organizational dedication and work ethics has been presented quite well in the commitment literature (Elizur et al., 1991; Jones, 1997; Yousuf, 2001). Work ethics influence employees' attitude toward their job as well as the organization they work for (Glazer et al., 2004). The dawn of the industrialization era in the 18th and 19th centuries is widely attributed to the emergence of work ethics in the Western world. This was mainly due to the economic changes and increase in religious awareness (Zuboff, 1983; Weber, 1992). However, researchers have suggested that the industrial capitalism of 18th century drove the trend towards increased productivity and profit making, forcing employers to look for some new approach in relating employees to work demands (Zuboff, 1983; Welsh, 2005). Thus, the conceptualization of work ethic was necessary for the management of the newly established organizations to fuel the industrial growth while engaging the employees both physically and spiritually (Diddams and Whittington, 2003).
Similarly, the religious and economic conditions of the 19th century have also been attributed to the increasing interest in ethical work practices in the West and the Europe region (Porter, 2004; Ali and Al Owaihan, 2008). Prior to the industrial revolution, work was not held in high esteem and was associated with negativity. However, after research proved that work ethics is associated with the need for achievement (McClelland, 1961); several researchers have since shown an increasing interest in examining the relationships between work ethics and organizational and social factors. This has been particularly manifested in Islamic work ethics as a source of employee commitment to good organizational practice. Consequently, various researchers in IWE have attempted to look at IWE vis-à-vis employees' attitude, commitment, satisfaction, and performance in organizational work. For example, Abeng (1997) looked at 'business ethics in Islamic context: perspectives of a Muslim business leader'; Ali and Al-Kazemi (2007) on 'Islamic work ethic in Kuwait'; Ali (2001) on 'the Islamic work ethics in Arabia'; Ali and Al-Owaihan (2008) on 'Islamic work ethic: a critical review'; Yousuf (2001) on 'Islamic Work Ethics : A moderator between organizational commitment and job satisfaction in a cross - cultural context'.
Notwithstanding its wide-ranging importance to organizations, the above research works have been centered on the importance of Islamic work ethic (IWE) on organizational outcomes. However, little study has been devoted to assessing Islamic work ethic (IWE) within the scheme of employees' knowledge and practice. Thus, this work hopes to fill this part of the Islamic literature gap by assessing employees' IWE in the United Arab Emirates (UAE).
Thus the main objective this work is to provide an empirical assessment of employees views on work ethics with relation to the Islamic faith.

The Islamic work ethic

Literature on Islamic work ethics gives an expressive and a wide range of features underpinning the moral foundation of Muslims. The concept of Islamic work ethics (IWE) is a body of literature that deals with work related values, attitudes, and job commitment. The IWE traces its origin to the Qur'an and the teachings of the Prophet Mohamed. For example, in chapter 6: 132 of the Quran, it is stated that ''for all have been ranked according to their deeds''. This means all true believers should engage and be committed to their work faithfully, and that ''God hath permitted trade and forbidden usury'' (Qur'an 2:275). Hence, the foundations of good deeds that men ought to abide by are rooted in the Qur'an.

According to Ahmad (1976), Islamic work ethics (IWE) does not stand for life denial but rather for life fulfillment that holds business motives in the highest regard. Similarly, Imam Ali (A.D. 598-661) advised that "persist in your action with a noble end in mind…failure to perfect your work while you are sure of the reward is injustice to yourself". Therefore, a decent engagement and commitment to work is the cornerstone of the IWE. Such engagement facilitates personal and societal goals (Ahmad, 1976). According to Ali (2005), the IWE is founded on four primary concepts: effort, competition, transparency, and morally responsible conduct. He thus suggests that, the four pillars collectively would inspire confidence in the business setting and reinforce social contract, ethical understanding, and motivates market actors to focus on meeting their primary business responsibilities. Hence, employees ought to have faith and commitment in each others' good intentions and adequately perform their responsibility at the workplace. Therefore, we see IWE as a means to further one's self-interest economically, socially and psychologically, to sustain social prestige and to advance societal welfare while keeping and reaffirming one's faith in Allah. For this reason, Islam attaches utmost importance to all sort of productive work. Not only has the Quran elevated *al- 'Amal* (productive work) to the level of a religious duty but it has also consistently stated in more than 50 verses productive means of work in conjunction with *imaan* (faith).

In view of the importance of IWE as a core human process to successful work organizations, an assessment of employees' knowledge and practice of the IWE in some selected organizations in the United Arab Emirates (UAE) is necessary.

Research Methodology

An empirical study was set up to assess Islamic work ethics on the practices of individual employees in a cross-sectional corporate sample in the UAE. To achieve the objective of the study, a quantitative survey of the opinions of a large number of workers in both private and public organizations was employed.

A non-probability sampling method was used in selecting the samples for both the employees and the organizations.

Sample frame

The sample for the organizations was conveniently drawn from the directory of organizations in the UAE. While, the sampled survey of participants of the study was based on a convenience sample size of 100 full-time employees of the selected organizations. However, 72 returned usable questionnaires representing 72% was used for the analysis. The response rate for male participants was 60%, while that of female was 40%. Participants with higher university degree represented 64%, those with college education represented 17%, participants with post graduate masters degree constituted 17%, while those with doctoral degree represented 0.3%. Therefore without any shred of doubt, we can confidently say that participants were not ignorant of their opinions on the issues discussed, because they constituted people of high academic integrity.

Construct Measurement

The survey questionnaire was pre-tested with 10 people in order to get a feedback to refine the content and the structure of the survey questionnaire. Descriptive statistics were employed in this study to explore the data.

Measurement of Variables

A questionnaire comprising 16 questions relating to participants' biographical information, and work related conduct was developed. The first section comprised of six biographical questions (gender, age, religion, educational background, and professional experience) which were collected using a nominal scale with pre-coded options. The second part that looks at the overall Islamic work conduct e.g. Assessing the value of work in life and gauging legal and illegal work comprised of 10 constructs using a five point scale as measurement like (1=Strongly Disagree; 2=Disagree ; 3= Neither ; 4= Agree ; 5=Strongly Agree).

Table 1: Questions on Islamic Work Ethics

Please indicate to what extent you agree with the following questions

1 (Strongly Disagree) 2 (Disagree) 3 (Neither) 4 (Agree) 5 (Strongly Agree)

Q1	Feeling a sense of obligation and dedication towards work is vital for success
Q2	Balancing personal and organizational needs means success in work place.
Q3	Being productive in work is not important if the salary package is good enough
Q4	Delaying/ Missing prayers is acceptable for work related reasons.

Q5	The position at work must be based on one's qualifications, skills and knowledge rather than connections and networking.
Q6	Sharing all the information / training subordinates are vital for successful business operations.
Q7	Using job resources (telephone, fax, printer, internet, time and personnel) for personal purposes is occasionally acceptable.
Q8	Doing indirect trade or business with alcohol or related products is fine its means more money.
Q9	Stocking up food products such as rice, wheat or other necessities is fine since it means more profit.
Q10	Making the laborers to work extra hours for a project in hot weather is acceptable since they are well paid for their overtime

Data Analysis
The data collected for this study were analyzed using Microsoft excel 2007 to provide descriptive and graphical analyses of the test variables.

Results
The results of this work were divided into two major parts which constitute Islamic work ethics that the study elicited from the participants. The first set of seven questions represents the value of organizational work life, and the second part assesses the constituents of legal and illegal work ethics among employees.

Measuring the value of work life in organizations
The value of work in Islam is different from other religious and political doctrines. Therefore, we pose the above questions in Table 1 to respondents. From the results, 65% of participants responded with 'strongly agree' that a 'sense of obligation and dedication towards work is vital for success' according to Islamic principles, while 26% responded 'agree'; 7% said 'neither', and only 1% said 'disagree'.
With regard to 'balancing personal and organizational needs as a means of success in the work place', 43% of the total number of respondents said they 'strongly agree', 38% of respondents said they 'agree', 13% of respondents stayed 'neutral', while 3% and 4% said 'disagree' and 'strongly disagree' respectively.
The study also sought to know from respondents if people worked hard only because of higher salaries. Thus, question three was posed to respondents and the following are the results: 43% of the total respondents said 'strongly disagree', 33% said 'disagree', 7% said 'neither', 13% said 'agree' and 4% said 'strongly agree'.
With regard to linking prayers to public work, respondents were asked if it was essential to delay or overlook prayers for the sake of work related reasons. Majority of the respondents constituting 42% said they strongly disagree to taking prayers at the time of work, 26% said they also disagree, 7% said they neither agree or disagree, 13% said they agree, while 4% said they strongly agree to prayers at the time of work.
The study also sought to solicit workers' views on the relationship between one's skills and position at work. Hence, question five was posed to respondents. More than half of the total respondents representing 58% strongly agreed that an employee's position at work should be based on qualification and skills, 14% said 'agree', 19% said they neither agree or disagree, 4% said they 'disagree' and also 'strongly disagree'.
On sharing of information and training subordinates to succeed in business, 43% of the total respondents said 'agree', and 38% of respondents said 'strongly agree' to the importance of information sharing and developing junior workers to succeed in their work. On the other hand, 1% and 11% of the respondents said 'strongly disagree' and 'disagree' respectively, while 6% of respondents said 'neither'.
With regard to the use of office resources for personal purposes, 29% of the respondents agreed that it was good to use organizational resources for personal purpose from time to time, 22% said they neither agree or disagree, 21% said they disagree, 19% said the strongly agree, while 7% said they strongly disagree.

Gauging what is Legal and Illegal Work
Since Islam forbids all forms and practices which are based on alcohol, gambling, exploitation, fraud or monopoly either directly or indirectly, the study sought to elicit responses from employees as what constitute legal and illegal work ethics.
With regard to employees dealing directly or indirectly with businesses associated with alcohol and related products, 81% of the total respondents answered 'strongly disagree', while 10% of respondent said 'disagree' meaning that they vehemently oppose to business practices associated with alcohol and related practices. Six percent answered neither agree nor disagree, and 4% said 'agree'.
The study further sought to understand if stockpiling food products in the form of grains and other necessities to gain more profit in the future was ethical in the eyes of Islam. With this, 60% of the total respondents said 'strongly disagree', 17% said 'disagree', another 17% said they neither agree nor disagree, while 6% and 1% said 'agree' and 'strongly agree' respectively.

On aspects of over-using people who work under others, we sought to find out if making labourers work extra in dire conditions simply because they are paid for it would constitute a bad or a good. Out of the total number of respondents, 54% said 'strongly disagree', 28% said 'disagree', 7% said they neither agree nor disagree, another 7% said they agree, while 4% said 'strongly agree'.

Discussion of study findings

The objective of this study was to evaluate employees' attitudes towards Islamic work ethics in the UAE which is predominantly a Muslim country. One major reason for this is that, Islamic work ethics are based on very simple principle of distinguishing between right and wrong along with the reward and punishment concepts. These ethics originate from the most complete and authentic sources of Holy Quran and Sunnah (the teachings of Prophet Muhammad. Hence, Abeng (1997) argued strongly in one of his works that "To functions effectively and efficiently, every organization needs an ethical frame work, not just laws and regulations" (Abeng, 1997: 47).

The current study findings revealed that most employees consider it an Islamic duty to have a positive sense of obligation and dedication towards work. Thus, more than 90% of respondents agreed that obligation and dedication to work is vital for success because it constitute a positive work value. Similarly, respondents were of the opinion that the ability of a person to balance his or her personal and organizational needs in the work place meant success, and so; about 81% of the total respondents in the study greed that harmonizing personal and organizational needs successfully tantamount to success in the work place. This finding is consistent with Al-Modaf (2005) who said 'In Islam, the activity of work is organized and regulated in a specific and systematic way'. Hence Muslim employees must be able to balance their personal desires and needs alongside organizational duties positively if they indeed wish to keep to Islamic work ethics. Likewise, findings of this current study showed that being productive in work organizations should not be tied to the amount of money one gets. Respondents felt that it is un-Islamic for Muslim workers to match reward with creativity or the amount of work needed to be done. Thus, 76% of respondents agreed that being productive at work should not necessarily be tied to the salary package that goes with it. This finding is also consistent with Abeng (1997:50) who advised that Islam attaches utmost importance to all sort of productive work. Not only has the Quran elevated *al- 'Amal* (productive work) to the level of a religious duty but it mentioned such a work consistently, in more than 50 verses, in conjunction with *imaan* (faith).

The discussion about justice and care arising from employees work has been observed by Gilligan (1982) that men operate within an ethic of justice that emphasize rights and rules, while women function within an ethic of care based on relationships and responsibilities. Hence, three main questions which dealt with fair promotion, relationship with subordinates, and the use of organizational resources yielded the following results: first, 72% of respondents agreed that it is fair and just as a Muslim to seek promotion in a just and righteous manner. While 19% of respondents neither agreed nor disagreed, 8% of respondents disagreed that position at work should not be based on connections. Secondly, majority of employees (81%) were in agreement that care and sharing of information among employees in the same organization, and also; assisting junior workers in terms of training were vital for organizational success anchored in good ethical work behavior. Thirdly, while about half of respondents (40%) believed that the use of organizational resources e.g. (telephone, fax, internet, time, and workers) for personal gain is unethical in the eyes of Allah, more than half of the number of respondents (58%) felt that enjoying the use of organizational resources for personal gains did not constitute a negative work ethic in Islam. Therefore, from an Islamic ethicist's perspective, justice, care and sharing of information are also the legacy of Universalist Kantian and Utilitarian ethics in which rights and justice are seen to belong to rational, autonomous individuals in control of their own destiny. Similarly, a personal commitment to good practice ought to be found within a set of political commitments (Ferguson, 2008) so that people are able to resist negative neo-liberal policies and practices and promote the social justice processes and outcomes that should be at the heart of all professions. Thus, Abeng (1997) advocates a general appreciation for the vocation of business, because the Quran often speaks about honesty and justice in trade. (See Quran 6:152; 17:35; 55:9). The Quran also presents Allah as the prototype of good conduct, and therefore employees must keep to the Islamic ethics by emulating Allah throughout their lives, including, of course, their conduct in their work places.

The study findings also showed that respondents were candid to give their opinions on what constitute legal and illegal work with reference to Islamic work ethics. An overwhelming majority of the total respondents (91%) vehemently opposed workers engaging directly or indirectly in businesses associated with alcohol and related products.

Also, results showed that illicit behaviors like stockpiling grains and other essential commodities for the purpose of making profit in times of need is unethical, accordingly; 77% of respondents opposed this practice. In addition, making employees do extra work in a project under cruel conditions because they might have been paid well was strongly opposed as a good ethical work behavior. Hence, 82% of the respondents said making laborers work extra hours in hot conditions even if they are paid for it is bad.

Conclusion and Implications of the Study

This study has shown the important relationship between Islamic work ethics and employee attitude to work. Results of the study demonstrate that workers in the UAE are very aware of their limitations to what constitute bad ethical work behavior that should not be tolerated in Islam. Even though most respondents believe that all workers have an obligation to work according to the dictates of the Qur'an, there are pockets of employees who still need to understand the significance of pursuing total work etiquettes espoused by the Islamic faith. The study thus call for a serious look at the operations of organizations in the UAE to focus on developing all levels of employees in the area of organizational work ethics with emphases on from an Islamic perspective.

From a social point of view, this study clearly indicates the need for employees to keep upholding the Muslim teachings which can be manifested in their daily work attitudes (Best practices) in the various organizations in the UAE. Theoretically, the study has contributed to the literature of Islamic work ethics in gulf regions.

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Toward a Comprehensive Understanding of Islamic Marketing: Concept, Evolution and Implications

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Abstract

The main purpose of this paper is to try to develop a comprehensive definition of Islamic marketing. It aims to create an ample understanding which would help marketers recognize the value of Islamic marketing. The paper begins by introducing the various concepts and definitions of Islamic marketing by various scholars. Then, the paper discusses the growing interest in Islamic marketing by highlighting the psychographics of Islamic populations, growth of Islamic populations, and the religiosity of Muslim consumers. The paper also discusses the opportunities and challenges of marketing to Islamic populations. Finally conclusions and recommendations are proposed regarding Islamic marketing that highlight the future of Islamic marketing and prospects for research on Islamic marketing

Introduction

Islamic marketing is a fairly new area of study and the pursuit of a definition that universalizes the term has ignited much debate between scholars. Several questions have been posed surrounding the role of Islamic marketing and the possibility of it narrowing the gap between Muslims and non- Muslims by making the non- Muslim marketers aware of the importance of the Muslim consumers and changing the stereotype there is about Muslims.

A comprehensive definition of Islamic marketing was provided by Muhammad Arham splits the concept into four elements: spiritualistic, ethical, realistic and humanistic. Each of these elements has a strong association with the Five Pillars of Islam and is explained below (Arham , 2012).

Interactive Quality In Service Encounters Of Ethiopian Telecom: A Dyadic Viewpoint

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Abstract

Purpose: The primary purpose of this research is to assess the interactive quality in service encounters of Ethiopian Telecom from the perspectives of both customers and contact personnel.
Design/methodology/approach: After a meticulous revision of relevant literature on service encounters and interactive quality, the researchers garnered the opinions of 400 customers and 100 employees of Ethiopian Telecom by using a six dimensional approach with the support of self-administered two separate questionnaires along with structured personal interviews. The researchers have used convenience sampling method and the responses collected with five-point Likert-type scale were analyzed with the help of SPSS software and chi-square test.
Findings: The analysis of the findings shows that effectiveness of the encounter in terms of the outcome expected by the customers' is very low. As per the opinions of the Ethiopian Telecom customers, the contact employees were not up to the mark with their technical and functional skills and expertise. In the accessibility and materiality dimensions, corporation's personnel are freely accessible along fairly decent dress code, sophisticated office equipment and physical facilities. Finally, in the agent satisfaction dimension, it is concluded that the telecom's contact employees have no professional satisfaction with service encounters.
Research limitations/implications: The research confined to the six zonal offices of Ethiopian Telecom in the capital city Addis Ababa of the east African country Ethiopia.
Practical Implications: The study presents clear information on the areas where the interactive quality severely affects from the perspectives of both telecom customers and employees which is useful to the corporation to take corrective action.
Originality/value: The subject focused in the paper is a topic of utmost contemporary importance having wide implications among both the practitioners and researchers.
Keywords: Service Quality, Service Encounter, Interactive Quality, Customer Satisfaction, Ethiopia
Paper type: Research Paper

Introduction

In an increasingly interdependent world, most of the countries have clearly recognized the impact and contributions from the service sector to their economic development. Keeping in view of the present day's whimsical business proclivity, marketers never ignore even a slightest chance to draw the attention of the market. The business people always attempt to win the hearts of target market consumers with the support of some pre and post sale activities in addition to the profound concentration on activities during sales both in the manufacturing and service sector. When compared to manufacturing sector, the errand of attracting, keeping, and satisfying customers is a herculean task in every type of service businesses. In the 1930s, Converse (1930) stressed the importance of services in the field of marketing. Other early research efforts in services date back to the 1960s (Gustafson and Ricard, 1964; Rathmell, 1966; Donabedian, 1966; Hutchinson and Stolle, 1968; Stephenson and Willet, 1969). Since then, there has been an increasing interest in the field of services research. Services marketing did not emerge as a distinct research discipline until the late 1970s (Fisk et al., 1993; Berry and Parasuraman, 1993) and marketing research before this had largely relied on single-item measures (Bruner and Hensel, 1993a, b; Churchill, 1979; Peter, 1979; Jacoby, 1978). As services marketing became recognized as a research discipline in its own right, multi-item measures were increasingly developed and used in research (Bruner and Hensel, 1993a, b; Bearden et al., 1993; Bearden and Netemeyer, 1999). Imperatively, service marketers have to concentrate on both internal marketing and interactive marketing besides external marketing to deliver the quality service to customers. The nature of services particularly intangibility, inseparability, and variability entails careful and fanatical production, distribution or delivery of services which essentially requires the attention of frontline employees with comprehensive knowledge on their services, competitor services along with most crucially noetic skills on interactive marketing. The interactive skills and qualities shown by the service providers with the service receivers greatly influenced the production, distribution and consumption of services. Simply, services performance completely depends on how effectively and efficiently the interaction is going on in a service encounter between customers and contact personnel. Encounters between service customers and employees are a critical component of service quality. This is especially true for services characterized by a high degree of person-to-person interaction and by the absence of exchange of physical manifestation. The client comes out from the service interaction with feelings of satisfaction or frustration. For contact personnel, encounters maybe a gratifying experience or a painful event (Chandon et al., 1997). Almost all service firms from any part of the globe always attempts to generate pleasant and fruitful service encounters with an intention to get a competitive edge through which there will be a possibility to obtain repeat purchases and positive word-of-mouth advocacy. With an intention to enhance the quality of service interactions in Ethiopian telecom, the researchers have taken up this study to explore the components of quality interactions by analyzing empirical data collected through questionnaires from the perspectives of both the Ethiopian Telecom customers and their front-line or contact employees. Following Brown and Swart (1989), the researchers have considered the views of both parties involved in the interactive interface to sell Ethiopian telecom services.

Theoretical framework

In today's market place, where competition is extremely intense, almost all the service companies extensively focusing on service quality which is possible through proactive service encounters. The basic and credible nature of services consist of intangibility, variability, perishability; its production, distribution, and consumption are simultaneous processes; it is an activity or a process; it is a core value created in buyer-seller interactions; customers participate in its production; and there is no transfer of ownership when it is sold (Gronroos, 2000). These features of service stressed out that there should be a meaningful and constructive interaction between the service provider and receiver in service encounters where services production, distribution and consumption is going on in an interactive interface. Delivering consistent level of service quality is a pivotal mission of service providers, but it is an uphill chore to maintain consistency because of the peculiar nature of the service. Gronroos (1984) clearly defined the concept of service quality as a perceived judgment, resulting from an evaluation process where customers compare their expectations with the service they perceive to have received. In the same way, Parasuraman et al. (1988) distinctively defined service quality as "the degree of discrepancy between customers' normative expectations for the service and their perceptions of the service performance". Service quality in a service encounter is recognized as being dependent upon the interactive process between the service provider (the seller) and the service receiver (the buyer) (Brown et al., 1994; Czepiel, 1990; Echeverri, 1999; Gronroos, 2000; Gummesson, 1995; Heskett et al., 1990; Larsson-Mossberg, 1994; Normann, 1992; Svensson, 2001a, 2002). The importance and relevance of the necessity to explore and dedicate research efforts to the common grounds of the interactive features of service quality in a service encounter are multiple. First of all, the service performance in a service encounter is dependent upon an interactive process between the service provider and the service receiver. Second, the ultimate outcome of a service in a service encounter is derived from this interactive process. Third, the interactive process affects the actual performance of the service provider, as well as the service receiver's interpretation of the service performance. Fourth, the interactive process continuously influences the service provider's and service receiver's expectations and perceptions of the service at hand in a service encounter. Whatever the plans, policies, programs, procedures and strategies service companies has introduced with a competing quality is only meant for achieving total customer satisfaction. Service companies can achieve and maintain large number of satisfied customers only through fruitful and constructive encounters with the company employees along with the physical surroundings of the service which are the major components of service quality. Oliver (1993) rightly said that, for the consumer, service quality means a comparison to excellence which does not require experience of the service. On the other hand, consumer satisfaction implies the consumption of the service and is related to experience.

Service Encounter and Interactive Nature of Service Encounters

The planning, implementation, and control of an organization's service offers to its customers should acknowledge by the service provider (e.g. sales representative or other contact personnel) with an appropriate and constructive interaction. The service provider is optimistic and his/her performance enhanced if there is an incessant response of approval or satisfaction from the service receiver. The researchers concentrated on the definitions given by Shostack (1985) and Bitner (1990) on service encounter as "a period of time during which a consumer interacts with a service". A service encounter is defined as an interactive interface of service quality in dyadic contexts. A dyadic context is defined as the interactive interface between service provider(s), service receiver(s) and/or enabling service equipment(s). A service provider and a service receiver refer to the individuals being part of the interactive interface taking place in service encounters (Svensson, 2006). The construct of the service encounter is based upon an interactive process, i.e. an interactive interface, between service provider(s) and receiver(s) (Gronroos, 2001). Though, most research in the field of services marketing ignores the service provider's perspective, and there have been too few studies that have attempted to explore the concept of the service encounter beyond the service receiver's perspective (Dedeke, 2003; Svensson, 2002; Chow-Chua and Komaran, 2002; Tam and Wong, 2001; Athanassopoulos, 1997).
Surprenant et al. (1983) viewed that service encounters are human interactions. Czepiel (1990) stressed that research into service encounters should take into account the perspectives of both parties involved in this human interaction. If considered both the parties opinion, there will be an opportunity to dig up the difficulties involved in these human interactions in a realistic and sensible way which facilitates to take corrective measures to enhance the efficacy and effectiveness of interactive interface. Wilkinson and Young (1999) stated that relationship development and performance should be seen as a dynamic process. The various dimensions of a relationship interact and self-organize into a mutually consistent pattern of performance, perceptions, and attitudes. Accordingly, the nature of interaction between the service provider and receiver significantly influenced the ultimate outcome of the service encounters. Conventionally, research into service encounters has been based on the perspective of the service receiver (Parasuraman et al. 1988; Dabholkar et al., 1996; Bienstock et al., 1997). Furthermore, majority of the researches have produced a number of classifications of services, all of which stress only the service receiver's perspective of the service offer in service encounters (Judd, 1964; Rathmell, 1974; Shostack, 1977; Hill, 1977; Sasser et al., 1978; Thomas, 1978; Chase, 1978; Gronroos, 1979; Kotler, 1980; Lovelock, 1980; 1983; Schmenner, 1986; Vandermerwe and Chadwick, 1989).
Dimensions of Interactive Quality
So far, quite a number of methods have been proposed by researchers from different parts of the world to assess the interaction quality in service encounters. Interactive service quality is not a simple phenomenon for measurement. It entails the following number of elements to be implemented properly: a) it should be based on a multi-item measure of the construct of service quality; b) it has to consider the service provider's and service receiver's perspectives in service encounters; c) it requires a selection of service encounters to be explored; and d) it needs statistical tests of difference and association between perspectives to describe the interactive qualities of service quality in service encounters (Svensson, 2004). Klaus (1985) supports a holistic approach using video recordings. Services marketing experts break up the encounter into typical sequences of behavior. Using the critical incident method, Bitner et. al., (1990) collected incidents from various services in order to identify which events and contact employees' behaviors cause satisfactory or unsatisfactory encounters. Goffman (1974, 1983) revealed the importance of ceremonials and rites that shape the encounter's dynamic. He also insisted on the ephemeral ties created during the interaction process. Based on which, the researchers decided to include the dimensions of interactivity and rituality which has further sub-divided into several sub-dimensions based on the inspirational works of Gumperz (1989); Siehl et al., (1990); Surprenant and Solomon (1987). The other dimensions used in this research are more conventional which were chosen from the eloquent studies of Parasuraman et al. (1988) and Schneider (1973, 1980, 1994). The researchers applied here a six-dimensional approach along with 15 sub-dimensions viz., effectiveness, materiality (service employee appearance; equipment; and physical facilities), accessibility, interactivity (responsiveness; listening; ability to explain; understanding; personalization; and psychological proximity), rituality (courtesy; confidence; security; attitudes; waiting time; and perceived competence of the contact people) and agent satisfaction. With a view to assess the interactive quality in service encounters of Ethiopian telecom, the researchers finally selected the aforementioned dimensions to complete this frantic task in an effective manner. Hitherto, there is no proper services marketing research activity in general and interactive quality in service encounters either in uni-directional or bi-directional in particular from the Africa's one of the developing nation Ethiopia. In summing up, after meticulous review of relevant literature related to service encounter and interactive service quality, the researchers have chosen this most contemporary topic which proffers the productive solutions to problems faced by the telecom corporation in Ethiopia in delivering the quality service for extending their customer base.

Research Methodology

The core objective of this research is to assess the multiple dimensions of interactive quality in service encounters of Ethiopian telecom in a dyadic perspective of both customers and the contact personnel. A total of 400 customers and 100 contact employees were administered in a convenience random fashion at six zonal offices of Ethiopian telecom in the capital city Addis Ababa in the first half of this year. With an intention to study the quality of interaction, the researchers developed a five point Likert scale measuring each of the six dimensions and fifteen sub-dimensions of encounter quality. The researchers used qualitative research approach which is meant for understanding a social or human problems in the service encounters, based on building a complex, holistic picture, formed with words, reporting detailed views of both the parties for designing the constructive interactive process arranged in a natural setting. The concept of interactive quality in service encounters of telecom service is a new phenomenon as far as Ethiopia is

concerned as a major reason for adopting this qualitative approach. The necessary data for the study was obtained from both primary and secondary sources. The primary data was collected through self-administered structured two separate questionnaires which were initially developed in English and then translated into the local vernacular language Amharic. While collecting the data through questionnaires, the researchers have given short briefings to the respondents as well as to the contact employees to avoid any ambiguity that may arise and also to save the time of both the parties. Focusing only on the interaction period, respondents were asked to state their overall assessment of the quality of their interaction. In tandem, the researchers also attempted to garner the opinion of contact employees by using the same measurement scale. The researchers asked participants at the end of the interaction, when elements of the encounter are still present in memory and attributions are minimal. In addition to the primary data, secondary sources of data such as books, journals, web searches, company reports were used to comprehensively complete this study. The researchers provide necessary instructions to distribute questionnaires based on the respondents' allocation of time and collected the filled-in questionnaires then and there itself. Because of this unrivaled care to distribute and collect the questionnaires from both customers and contact personnel, researchers received the entire five hundred questionnaires with all the columns filled-in nature. The analysis part is made based on the factors consistent with research objective, understanding and judgment of the researchers.
The collected data was analyzed based on the type of questions designed and responses provided. The researchers applied SPSS (Statistical Package for Social Scientists) to analyze responses in the rating scale with the application of chi-square test (χ^2). In order to keep the confidentiality of the data given by respondents, the researchers never asked their name and other personal details through questionnaires and maintained strict confidentiality on the responses given by both the customers and employees of Ethiopian telecom. This research was confined to the service encounters occurred in the six zonal offices of Ethiopian telecom in Addis Ababa with a reasonable sample size due to time constraint and other resource limitations. This analysis is focused on face-to-face encounters and didn't consider the issues related to the organizational structure of the company. The other possible limitation is that the researchers considered only the interaction between customers and front-line employees particularly sales personnel, sales supervisors, counter cashiers, marketing officers.
The researchers enlisted the following four hypotheses to elaborately discuss about the core interactive quality dimensions influence on satisfaction levels of customers and contact employees.
1) There is no relationship between Ethiopian telecom customers and employees' satisfaction levels on interactive quality.
2) Interactivity is the most crucial service-encounter dimension.
3) The materiality dimension won't severely affect the interactive quality in service encounter.
4) Contact employees' professional satisfaction has influence on the quality of interaction in service encounters.

Results and Discussion
The perusal of this part emphasizes the information about the demographic profile of the respondents along with the comprehensive analysis and discussion on the opinions expressed by both the Ethiopian telecom customers and contact employees on interactive quality in service encounters. A well-diversified demographic profile of 400 customers and 100 contact personnel of Ethiopian telecom selected for the study depicted in the following Table-1 and 2.
Table 1: Demographic Profile of Ethiopian Telecom Customers

S. No.	Demographic Profile	Description	Percentage	Responses
1.	Age	18-24 years	32.0	128
		25-31 years	27.7	111
		32-38 years	21.4	86
		39-45 years	11.1	44
		Above 45	7.8	31
2.	Gender	Male	58.6	234
		Female	41.4	166
3.	Level of Education	Masters and above	8.4	34
		Bachelors Degree	24.1	96
		12th Grade	43.4	173
		10th Grade	20.9	84
		Un-educated	3.2	13
4.	Occupation	Students	20.0	80
		Running own business	11.4	46
		Government employees	30.3	121
		Private employees	34.9	139
		NGOs	3.4	14
5.	Monthly Income	Under 1000 Birr	35.1	140
		1001-1500	18.9	76
		1501-2000	15.4	62
		2001-2500	16.0	64
		2501-3000	5.5	22

		Above 3000	9.1	36

Table 2: Demographic Profile of Ethiopian Telecom Contact Personnel

S. No.	Demographic Profile	Description	Percentage	Responses
1.	Age	18-24 years	8.0	08
		25-31 years	50.0	50
		32-38 years	38.0	38
		39-45 years	4.0	04
2.	Gender	Male	58.0	58
		Female	42.0	42
3.	Level of Education	Masters and above	20.0	20
		Bachelors Degree	76.0	76
		12th Grade +	4.0	04
4.	Monthly Income	Under 1000 Birr	4.0	04
		1001-1500	28.0	28
		1501-2000	30.0	30
		2001-2500	22.0	22
		2501-3000	16.0	16

As mentioned in the Table 3, the researchers conducted a survey with two separate questionnaires meant for Ethiopian Telecom customers and the contact personnel. The first questionnaire with five dimensions like effectiveness, materiality, accessibility, interactivity, rituality and sixth dimension contact employee satisfaction questionnaire exclusively circulated to contact personnel to gather the satisfaction levels from both the parties. Related to effectiveness dimension, the researchers raised three types of questions: a) at the end of encounter, you get exactly what you wanted? b) Regarding your problem, the encounter was very positive; c) what was said during the encounter was very important for you. Out of 400 Ethiopian telecom customers, 18.1 percent reacted strongly and positively as against 25.2 percent just agreed. And, 37.8 percent of customers disagreed on the effectiveness of interaction with the contact employees as against just 11.6 percent strongly disagreed. The crucial reasons for this discontentment over the effectiveness of interactions as expressed by customers due to technical and functional inefficiency, lack of understanding between line and staff, improper time allocation for the encounter, poor interactive skills, casual and negligent behavioral disposition of employees etc. Associated with the second interactive quality dimension materiality, customers received questions related to appearance of contact personnel, equipment and physical facilities. As per the study, 23.9 percent expressed their strong positive opinion as against 37.6 percent conveyed their satisfaction with the materiality of the interaction. Besides, 16.8 percent of respondents disagreed and 7.7 percent robustly expressed their dissatisfaction on the appearance of personnel, equipment and physical facilities. Startlingly, 61.5 percent of Ethiopian Telecom customers were highly satisfied with the employee etiquette, equipment and physical ambience of the interactive landscape. The notable reasons for this alluring percentage of positive response from the customers are the recent up-gradation of front-line offices, introduction of dress code to the contact personnel, computerization of customers' data, and introduction of both internal and interactive marketing in an exciting way in the corporation.

Table: 3 Ethiopian Telecom Customers' and Contact Employees' Responses on Interactive Quality

S. No.	Interactive Quality Dimension	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1.	**Effectiveness:**	**18.1**	**25.2**	**7.3**	**37.8**	**11.6**
2.	**Materiality:**					
	a) Service Employee Appearance	29.1	48.6	10.9	7.4	4.0
	b) Equipment	27.3	39.1	14.1	10.9	8.6
	c) Physical Facilities	15.4	25.0	17.0	32.2	10.5
	Average of Materiality	**23.9**	**37.6**	**14.0**	**16.8**	**7.7**
3.	**Accessibility:**	**23.9**	**35.6**	**13.8**	**14.1**	**12.6**
4.	**Interactivity:**					
	a) Responsiveness	13.4	19.2	17.0	32.2	18.2
	b) Listening	15.8	21.5	14.7	32.5	15.5
	c) Ability to Explain	14.6	25.4	16.8	31.6	11.6
	d) Understanding	21.0	20.3	19.2	28.4	11.1
	e) Personalization	17.0	22.4	19.2	29.0	12.4
	f) Psychological Proximity	14.4	22.5	19.1	28.0	16.0
	Average of Interactivity	**16.0**	**21.9**	**17.7**	**30.3**	**14.1**

5.	**Rituality:**					
	a) Courtesy	14.8	26.4	16.1	32.2	10.5
	b) Confidence	15.2	18.9	32.6	21.2	12.1
	c) Security	18.6	34.7	20.2	16.7	9.8
	d) Waiting Conditions	30.0	33.5	11.8	13.5	11.2
	e) Perceived Competence	14.3	20.2	15.8	33.0	16.7
	f) Attitudes of Receptionists	34.0	24.0	12.0	24.0	6.0
	Average of Rituality	**21.2**	**26.3**	**18.1**	**23.4**	**11.0**
6.	**Agent/Contact Employees' Satisfaction:**					
	a) Personalization	34.0	24.0	12.0	24.0	6.0
	b) Courtesy	21.0	46.0	17.0	10.5	5.5
	c) Psychological Proximity	28.0	28.0	18.0	26.0	0
	ETC's Agent/Contact Employees' Satisfaction	**24.0**	**11.0**	**14.0**	**22.0**	**29.0**

In connection with the third dimension accessibility, 59.5 percent of customers were satisfied with the corporation front-line employees' ease of availability to speedy redressal of their queries. And at the same time, 26.7 percent uttered their dissatisfaction towards the accessibility of the contact personnel. The respondent community stated various reasons for the accessibility like close supervision of immediate superiors, confident introduction of internal marketing measures, best front-line employee reward schemes, and other monetary and non-monetary benefits and moreover dedicated and passionate commitment of employees towards in satisfying customer needs and aspirations. Even with the initiation of mentioned measures, considerable percentage of customers dissatisfied with the negligible and casual nature of contact personnel, frequent and unproductive discussions with other employees, and occasional late coming to their seats in front-line offices. Regarding the fourth quality dimension interactivity, the researchers raised sub-dimensions like responsiveness, listening, ability to explain, understanding, personalization and psychological proximity. On account of this, 21.9 percent of customers pleased as against 30.3 expressed their discontentment over the interactive abilities of contact personnel of the telecom corporation. In this context, the satisfied customers' highlighted reasons like quick response and active listening whereas the reasons for discontentment mainly are poor understanding of the problems raised, inability to explain in a cohesive manner, failure to establish personalization with customers and most crucially contact personnel were utterly failed in understanding the psychological convictions and dispositions of the customers. Related to the fifth dimension rituality, customers reacted to the sub-dimensions like courtesy shown by the employees, confidence, security, waiting conditions, perceived competence and attitudes of receptionists. Among the selected respondents, 47.5 percent stated their satisfaction on the ceremonial and contextual aspects which shape the climate of encounter as against 34.4 percent were not pleased with the courtesy and confidence shown by the contact personnel, too much waiting conditions, poor perceived competence levels of employees, inattentive and relaxed behavior of receptionists which failed to create a conducive climate for fruitful encounter.

Along with the above, the researchers came up with another questionnaire to know the satisfaction levels of contact employees' of Ethiopian telecom corporation with issues like personalization, courtesy and psychological proximity on service encounters. Based on which, 29 and 22 percent of contact employees were strongly disagreed and disagreed on the quality of interaction at the time of encounters respectively. And another 24 and 11 percent were strongly agreed and agreed on the way the interaction is going on with the customers in a productive manner and notably 14 percent of employees who are working as front-line employees stayed neutral with their opinion.

Table: 4 Two-Way Classified Table with Interactive Quality Dimensions & Likert Scale

S. No.	Interactive Quality Dimension	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1.	**Effectiveness**	**18.1**	**25.2**	**7.3**	**37.8**	**11.6**
2.	**Materiality**	**23.9**	**37.6**	**14.0**	**16.8**	**7.7**
3.	**Accessibility**	**23.9**	**35.6**	**13.8**	**14.1**	**12.6**
4.	**Interactivity**	**16.0**	**21.9**	**17.7**	**30.3**	**14.1**
5.	**Rituality**	**21.2**	**26.3**	**18.1**	**23.4**	**11.0**
Average Levels of ETC's Customers Satisfaction		**20.6**	**29.3**	**14.2**	**24.5**	**11.4**
ETC's Agent/Contact Employees' Satisfaction		**24.0**	**11.0**	**14.0**	**22.0**	**29.0**

Testing of Hypotheses:

To prove the selected hypotheses for the study, the researchers applied the following procedure: a) First, the researchers formed a two-way or contingency table with two selected attributes and a five-point Likert scale ranging from strongly agree to strongly disagree; b) Then take the null-hypotheses that there is no association between the selected attributes; c) The chi-square statistical value follows chi-square distribute with four Degrees of Freedom (DOF) at a specified level of 5% significance (LOS).

Table: 5 Testing of Hypotheses

S. No.	Hypotheses	Chi-square Calculated Value	Chi-square Tabulated Value At 5% LOS with 4 DOF	Results
1.	There is a relationship between Ethiopian Telecom customers & contact personnel satisfaction levels on interactive quality.	16.372	9.488	Accepted
2.	Interactivity is the most crucial service-encounter dimension.	4.609	9.488	Rejected
3.	The materiality dimension affects the interactive quality in service encounter.	11.886	9.488	Accepted
4.	Contact personnel professional satisfaction has influence on the quality of interaction in service encounter.	12.111	9.488	Accepted

As per the values mentioned in the Table 5, the selected hypothesis 1 is accepted because of calculated value of χ^2 is greater than the tabulated value of chi-square. So, null-hypothesis is rejected and hence, there is a clear relationship between the satisfaction levels of both Ethiopian Telecom customers and their contact personnel. Related to Hypothesis 2, the calculated value of χ^2 is less than the tabulated value of chi-square, null-hypothesis is accepted and thus, interactivity is not only the most crucial service encounter dimension. Connected with the Hypothesis 3, the materiality dimension affects the interactivity quality in service encounters is accepted which proved with the greater calculated value of χ^2 than tabulated. The Hypothesis 4 is also accepted since the calculated value of χ^2 is greater than the tabulated value.

Managerial Implications

Numerous management implications for service providers in general and telecom companies in particular can be deducted from this research. Goodwin (1988) sets an appropriate agenda for managers of service relationships, which can be applied to group settings. She states that there are four important factors that have to be considered: a) learning skills; b) developing a new self-image; c) developing new relationships with providers, and often fellow consumers; and d) acquiring new values (Goodwin, 1988). Accordingly, this research proffers precious and first-hand information to the think-tank of the Ethiopian telecom about the customer satisfaction levels on diverse quality horizons of service encounters. Based on which, Ethiopian Telecom Corporation could allocate resources more efficiently by providing accurate customer services in general and, more specifically, in training the employees to effectively respond to their customer needs and priorities. Corporation's contact personnel have an opportunity to receive constructive training with most suitable curricula which delivers expected level of service and also to rectify any inevitable service problems that arise in future. In the case of service failures, contact personnel should be trained to be receptive, compassionate, and supportive in dealing with customer problems. In addition, employees of the corporation should also be trained in both technical and functional skills, to listen to customers' problems, to smooth out customer anger, and to offer personalized responses. A confident and erudite team of employees are more competent enough to perform their jobs are likely to stay longer duration in the company to build and maintain enduring relationships and also saves induction costs. After careful observation of the existing process of telecom service encounters, there will be a chance to identify the loopholes as well as the way frontline employees participate in encounters with different customers. Based on which, the telecom corporation has an opportunity to design a well-structured interactive process and introduce necessary modifications to the existing process for offering a productive and fruitful response to customers in an effective manner. This research also presents authentic and valuable information to the marketing department of the Ethiopian Telecom for analyzing their customers' level of knowledge on their services which will facilitate to initiate customer educational programs through marketing communication elements. The research definitely provides a formidable base for the prospective researchers who have plans to investigate the quality aspects of services in general and telecom service in particular with indispensable changes to the parameters.

Conclusion

This research paper exclusively concentrates on the interactive quality in service encounters of Ethiopian telecom in a dyadic perspective of both customers and contact personnel. It is evident that Ethiopian telecom customers are not at all pleased with the interactive abilities of contact employees. Based on which, the company has a sober thoughts on the existing plans, policies and strategies in action and introduce necessary modifications to upgrade the employees' dexterities in general and contact employees in particular. From the employees' viewpoint, the encounter is interesting but leaves them in great dissatisfaction because of perceptual differences with customers. To fill the gap, the company and its employees' should reach to the perceptual level of customers with their offerings by introducing affable and constructive interactive encounters with great intensity of patience. This research was limited to a small sample of just 400 in the Ethiopian telecom sector and used six dimensions to measure the quality of interaction. Even though, the selected sample reduced the generality of the findings, the purpose was to examine the existing shortcomings in the interactive process from the perspectives of both the parties. The theoretical and practical implications presented in this research might be useful for both companies and for facilitating replication studies. The inferences came through this research might be applicable in an intra-organizational context, such as internal marketing. If Ethiopian Telecom has to confidently introduce all the necessary modifications to the existing system particularly related to internal and interactive marketing, there will be an enormous opportunity to transform the pessimistic opinion of the market which in turn offers a delectable prospect to win the hearts of telecom customers of the country.

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Impact of Workplace Spirituality on Job Satisfaction & Organizational Commitment: A Comparative Study of Islamic & Conventional Banks of Pakistan

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Abstract

The current study is intended to establish the relationship between workplace spirituality, job satisfaction and organizational commitment of banking sector employees of Pakistan. The strategic objective of the study is to present a framework for ensuring such a working environment in Islamic Banks that brings about better job performance; that reduces job burnout rates; and that enhances employee satisfaction and employee retention as well. For this purpose 150 self administered questionnaires are being filled by employees working in the banking sector of Pakistan. Data analysis by SPSS revealed that there are positive relations between workplace spirituality, job satisfaction and organizational commitment. While, workplace spirituality is found to be a predictor of job satisfaction and organizational commitment. Furthermore, impact of workplace spirituality on job satisfaction and organizational commitment is found to be stronger for Islamic Bank employees than that for Conventional Bank employees. Hence, it is recommended that the management of Islamic Banks should provide such a working environment for its employees that promote sense of interconnectedness and motivation in the work beyond compensation, which could only be possible by virtue of workplace spirituality.

Key words: Islamic Banks, Conventional Banks, Organizational Behavior, Human Resource Management, Workplace Spirituality, Job Satisfaction, Organizational Commitment.

INTRODUCTION

Employee behavior at work can best be understood by exploring him/her from physical, psychological, and spiritual dimensions (Giacalone & Jurkiewicz, 2003). A careful review of existing literature on the Organizational Behavior has revealed that physical and psychological dimensions of people at work have been studied at length while the spiritual dimension has long been ignored (Walt, 2007). It was only after the collapse of American companies Enron Corporation in 2001 and MCI, Inc. in 2002, when organizational leaders and academicians both had started emphasizing the dire need of introduction of spirituality and religion into the business world (Marschke et al., 2009; Fawcett et al., 2008).

Organizations worldwide are currently recognizing that their greatest source of unique advantage in present days' contending corporate world is their qualified, creative and committed workforce (Fawcett et al., 2008); furthermore, without promoting a culture that enables workers finding sense of interconnectedness and motivation in their work beyond compensation, organizations will never unleash the creativeness and passion of their staff (King & Nicol, 1999). Organizational scientists have cited certain organizations that are reengineering their organizational systems for this purpose (Ashmos & Duchon, 2000), which is believed to be equally beneficial for employees and organizations (Garcia-Zamor, 2003).

Lexically spirituality means: 'vapor, breath, air or wind' (Marschke et al., 2011). Oxford's Dictionary defines spirituality as: 'the quality of being concerned with religion or the human spirit'. While, Smith (2001) considers spirituality as the instinctive aspiration of human beings to be connected with the divine force. Similarly, Mitroff & Denton (1999b) consider interconnectedness as the single word that describes the meaning of spirituality and its significance in people lives.

Literature provides various definitions of the construct Workplace Spirituality (Brown, 2003), however, there is no single agreed upon definition among researchers (Krishnakumar & Neck, 2002). Some researchers define workplace spirituality as: 'the recognition that employees have an inner life that nourishes and is nourished by meaningful work that takes place in the context of community.' (Ashmos & Duchon, 2000; Robbins, Judge, & Sanghi, 2007), while some others articulate it as: 'it involves the effort to find one's ultimate purpose in life, to develop a strong connection to coworkers and other people associated with work, and to have consistency or alignment between one's core beliefs and values of their organization' (Mitroff & Denton, 1999a). However, Petchsawang and Duchon (2009) define workplace spirituality as: 'having compassion toward others, experiencing a mindful inner consciousness in the pursuit of meaningful work and that enables transcendence.' At the same time, Kinjerski and Skrypnek (2006) believe that workplace spirituality involves: 'engaging work', a 'spiritual connection', a 'sense of community', and a 'mystical or unitive experience'.

The purpose of this empirical study is to examine the impact of workplace spirituality on job satisfaction and Organizational Commitment of Islamic banks' employees and then compare it with that of conventional banks' employees. While, the strategic objective of the study is to present a framework for ensuring such a working environment

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in Islamic Banks that: brings about better job performance; reduces job burnout rates; enhances employee satisfaction and employee retention as well.
The need for the study is firstly to verify whether behavioral theories initiated in the West are generalizable to eastern populations too (Yen & Niehof, 2004). Secondly, to provide empirical evidence of the relationship between workplace spirituality, job satisfaction and organizational commitment. Hence this empirical study tries to verify generalizability of the behavioral theories initiated in the West to eastern populations; in addition to this, it tries to assess the strength of the relationship between workplace spirituality, job satisfaction and organizational commitment in the banking sector of Pakistan.
According to Moore and Casper (2006), there exist a high correlation between affective organizational commitment and intrinsic job satisfaction. While, Marschke et al. (2009) have reported a strong relationship between workplace spirituality and organizational commitment; furthermore, they also reported a relationship between workplace spirituality and intrinsic job satisfaction (Marschke et al., 2011). The focus of the current empirical study will be on bank employees working for the leading Islamic bank of Pakistan, and a largest private sector's conventional bank of Pakistan while answering the following research questions:
1) Whether there exist any relationship between workplace spirituality, job satisfaction and organizational commitment in the banking sector of Pakistan?
2) Whether the relationship between workplace spirituality, job satisfaction and organizational commitment is high positive for Islamic bank employees of Pakistan?

LITERATURE REVIEW

Job Satisfaction

According to Lacy and Sheehan (1997), job satisfaction is an obscure concept; but still it is believed to be the most commonly studied concept in the organizational research (Küskü, 2003). Locke (1976) considers job satisfaction as: 'a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences'. While, according to Hulin and Judge (2003), job satisfaction includes certain psychological responses to one's job. Similarly, Maxwell (2007) describes Job satisfaction as an individual's sense of attainment.
It is widely believed that institutions' progress is based on their human resources' views, attitudes and perceptions (Küskü, 2003). Lombardo and Valle (2011) relate job satisfaction with extra work effort and enterprise performance. According to Tutuncu and Kucukusta (2010), highly satisfied employees have great impact on customer satisfaction. Studies further reveal that job and life satisfactions are interlinked; job satisfaction causes life satisfaction, while life satisfaction causes job satisfaction (Georgellis & Lange, 2011).
Researchers argue that job satisfaction of an employee is the outcome of his/her perception regarding the job and the extent to which he/she is fit in the organization (Pool & Pool, 2007). Organizational scientists have reported better working environment, sense of community, and relationships among colleagues as the predictors of job satisfaction (Lacy & Sheehan, 1997); furthermore, administrative leadership, evaluation, pay, and compensation issues are also predictors of overall job satisfaction (Gales-Fontes, 2002). This study tries to validate the construct Workplace Spirituality as one of the predictors of the Job satisfaction.

Organizational Commitment

According to Porter et al. (1974), organizational commitment is an individual's recognition of the organization's goals; a readiness to put forth substantial effort on organization's behalf; and an unambiguous aspiration to retain organizational membership. While, Mowday et al. (1979) defines organizational commitment as: 'the extent to which an individual identifies with and is involved in a particular organization'.
It is being observed by organizational scientists that organizations are promoting such a workforce that is committed to its employers and gives best of its performance as well (Ng & Feldman, 2011). Furthermore, highly committed employees have been found exhibiting positive job attitudes (Harrison, Newman, & Roth, 2006). Wright and Bonett (2002) noted a decrease in the strength of the positive commitment–performance relation with the increase in tenure.
Researchers have reported leader-member exchange and perceived organizational support as predictors of organizational commitment (Schaninger & Self, 1999); some others authenticate work environment, job security, pay satisfaction and participation in decision making as strong predictors of organizational commitment (Abdullah & Ramay, 2012). This study tries to validate the construct Workplace Spirituality as one of the predictors of the Organizational Commitment.

Workplace Spirituality

Issues relating to religion and spirituality in the workplace have caught serious attention of academicians and practitioners around the world (Petchsawang & Duchon, 2009; Kinjerski & Skrypnek, 2006; Giacalone, Jurkiewicz & Fry, 2005; Benefiel, 2005; Ashmos & Duchon, 2000; McCormick, 1994).
In recent qualitative and quantitative studies, it has been found that workplace spirituality enhances employees' sense of accomplishment; creativity, honesty and trust; job satisfaction, and organizational commitment; which ultimately have a positive effect on their overall productivity and organizational performance alike (Marschke et al., 2011; Usman, & Danish, 2010; Marschke et al., 2009; Rego & Cunha, 2008; Krishnakumar & Neck, 2002); furthermore, organizations considered as more spiritual get more from their employees (Albertini, & Smith, 2008), which is considered to have positive impact on organizations' financial success (Garcia-Zamor, 2003). The current empirical study is intended to

substantiate the impact of workplace spirituality on job satisfaction and organizational commitment in the Banking Sector of Pakistan.

THEORETICAL FRAMEWORK

Figure 1: Model of the relationship between Workplace Spirituality (WS), Job Satisfaction (JS) and Organizational Commitment (OC)

H_1: Workplace Spirituality has a positive relationship with the Job satisfaction of Bank Employees.
H_2: Workplace Spirituality has a positive relationship with the Organizational Commitment of Bank Employees.

METHODOLOGY

Population, Sample & Sampling Technique

Population of this study is the banking sector employees of Pakistan. Questionnaire was used as a tool of data collection. Data is collected from employees of Meezan Bank Limited and Habib Bank Limited by using stratified random sampling technique. The population is divided into two stratums, i.e., Islamic Bank employees and Conventional Bank Employees. 150 self administered questionnaires were being filled from the said banks' employees of Rawalpindi and Islamabad (Capital of Pakistan) regions.

Instrumentation

Workplace Spirituality was measured through the scale developed by Kinjerski and Skrypnek (2006) consisting of 18 items with a Cronbach alpha of 0.93. While Job Satisfaction was measured through the scale developed by Macdonald and Maclntyre (1997) consisting of 10 items with a Cronbach alpha of 0.77. Similarly Organizational Commitment was measured through the scale developed by Porter et al. (1974) consisting of 15 items with a Cronbach alpha of 0.90. The response scale for all the constructs was five point likert scale ranging from (strongly disagree = 1 to strongly agree = 5).

FINDINGS AND CONCLUSION

Data analysis was carried out by using SPSS. Applied statistical procedures include Cronbach alpha reliabilities, Pearson correlation and linear regression analysis. In the following paragraphs, descriptive statistics, means, standard deviations, Pearson correlations, Cronbach alpha reliabilities, and regression equations of the constructs are discussed in detail.

Table-1: Descriptive Statistics of Respondents

		Frequency (f)	**Percentage**
Gender	Male	101	67.3 %
	Female	49	32.7 %
Organization	Islamic Bank	75	50.0 %
	Conventional Bank	75	50.0 %
Age	15-25	59	39.3 %
	26-35	61	40.7 %
	36-45	6	4.0 %
	46-55	18	12.0 %
	> 55	6	4.0 %
Tenure	0-5	87	58.0 %
	6-10	34	22.7 %
	11-15	24	16.0 %
	16-20	4	2.7 %
	> 20	1	0.7 %
Job Status	Top Management	2	1.3 %
	Middle Management	42	28.0 %
	First-level Supervisor	68	45.3 %
	Nonmanagerial	38	25.3 %
Domicile	Balochistan	6	4.0 %
	Gilgit-Baltistan	4	2.7 %
	Khyber-Pakhtoonkhwa	27	18.0 %
	Punjab	96	64.0 %
	Sindh	9	6.0 %
	Azad Kashmir	8	5.3 %

Table-1 exhibits the demographical information of respondents of the current study.
a) Data reveals that majority of the respondents (67.3 %) are male, while female are 32.7 %.
b) Furthermore, respondents belonging to Islamic and Conventional Banks are 50 % each.

c) Similarly, majority of respondents (40.7 %) belong to (26-35) age group. While, 39.3 % respondents belong to (15-25) age bracket; 12 % belongs to (46-55) age group; and 4 % each belong to age groups (36-45) and (> 55) respectively.

d) Data further reveals that majority of respondents (58 %) are fresh graduates belonging to the tenure bracket of (0-5) years. While, 22.7 % respondents belong to (6-10) years bracket; 16 % belongs to (11-15) years bracket; 2.7 % belongs to (16-20) years bracket; and only 0.7 % respondents are those who have worked more than 20 years for the organization.

e) It is evident in the table-1 that the majority respondents of the sample (45.3%) are first-level supervisors. While, only 1.3 % respondents are belonging to top management. Similarly, 28 % respondents are middle managers; and 25.3 % respondents belong to Nonmanagerial posts.

f) The last part of the table-1 reveals the province to which respondents of the current study belong. It is clearly shown that majority of respondents (64 %) belong to the Punjab province. While18 % respondents are belonging to the Khyber-Pakhtoonkhwa Province; 6 % belonging to Sindh; 5.3 % belonging to Azad Kashmir; 4 % belonging to Balochistan; and only 2.7 % respondents are belonging to the Gilgit-Baltistan province of Pakistan.

Table-2: Means, S.D, Correlations and Reliabilities

	Mean	**S.D**	**Gender**	**Organization**	**Age**	**Tenure**	**Job Status**	**Domicile**	**WS**	**JS**	**OC**
Gender	1.3267	.47057	1								
Organization	1.5000	.50168	.128	1							
Age	2.0067	1.13218	-.117	.195*	1						
Tenure	1.6533	.88981	-.032	.286**	.855**	1					
Job Status	2.9467	.76664	-.156	-.244**	-.216**	-.352**	1				
Domicile	3.8133	.94398	.168*	-.170*	-.225**	-.118	-.005	1			
WS	3.8170	.30690	-.260**	-.240**	-.083	-.062	.031	-.135	(0.826)		
JS	3.7460	.38156	-.238**	-.037	.068	.049	.029	-.175*	.533**	(0.714)	
OC	3.7524	.34372	-.089	-.188*	.009	-.060	.140	-.130	.624**	.474**	(0.796)

Figures in the parentheses represent the Cronbach alpha values for the scales.
*. Correlation is significant at the 0.05 level (2-tailed).
**. Correlation is significant at the 0.01 level (2-tailed).

Table-2 exhibits means, standard deviations, correlations and reliabilities of the constructs of the current study.

a) Table-2 reveals means and standard deviations of all the measures used in the study.

b) Since, the current study deals with the constructs workplace spirituality, job satisfaction and organizational commitment, therefore, these constructs are analyzed.

c) Data reveals that all the constructs present in the theoretical framework are reliable; having Cronbach alpha greater than 0.7. The construct Workplace Spirituality has Cronbach alpha of 0.826; while Job Satisfaction has Cronbach alpha of 0.714; and Organizational Commitment has Cronbach alpha of 0.796.

d) Data indicates that Independent and Dependent Variables of the study are positively correlated and the correlation is significant at the 0.01 level (2-tailed).

e) The result of the study indicates that Workplace Spirituality has a correlation of 0.533 with the Job Satisfaction, which supports the first hypothesis.

f) The result of the study also indicates that Workplace Spirituality has a correlation of 0.624 with the organizational commitment, which supports the second hypothesis.

Table-3: Regression Equations
Job Satisfaction

	β	R^2	Adjusted R^2
Workplace spirituality	0.533	0.284	0.279

Organizational Commitment

	β	R^2	Adjusted R^2

Workplace spirituality	0.624	0.390	0.386

Table-3 exhibits regression equations of the current study.

a) Table-3 reveals that the construct workplace spirituality is a predictor of job satisfaction with β = 0.533. This means that with each unit increase in workplace spirituality, job satisfaction is increased by 0.533 units. This result supports the first hypothesis.

b) Table-3 further reveals that the construct workplace spirituality is also a predictor of organizational commitment with β = 0.624. This means that with each unit increase in workplace spirituality, organizational commitment is increased by 0.624 units. This result supports the second hypothesis.

Table-4: Comparative Regression Equations for Islamic & Conventional Bank Employees
Job Satisfaction

	Islamic Bank Employees			**Conventional Bank Employees**		
	B	R^2	Adjusted R^2	β	R^2	Adjusted R^2
Workplace Spirituality	0.607	0.368	0.359	0.479	0.229	0.219
	Islamic Bank Employees			**Conventional Bank Employees**		
	B	R^2	Adjusted R^2	β	R^2	Adjusted R^2
Workplace Spirituality	0.690	0.476	0.468	0.517	0.267	0.257

Organizational Commitment

Table-4 exhibits comparative regression equations of the current study.

c) Table-4 reveals that with each unit increase in workplace spirituality, job satisfaction of Islamic Bank employees is increased by 0.607 units, while that of Conventional Bank employees is increased by 0.479 units.

d) Table-4 further reveals that with each unit increase in workplace spirituality, organizational commitment of Islamic Bank employees is increased by 0.690 units, while that of Conventional Bank employees is increased by 0.517 units.

DISCUSSION

The current empirical study examined the impact of workplace spirituality on job Satisfaction and Organizational Commitment of employees working in the Banking Sector of Pakistan. According to Moore and Casper (2006), there exist a high correlation between affective organizational commitment and intrinsic job satisfaction. While, Marschke et al. (2009) have reported a strong relationship between workplace spirituality and organizational commitment; furthermore, they also reported a relationship between workplace spirituality and intrinsic job satisfaction (Marschke et al., 2011). Findings of the study reveal that there is a positive relationship between workplace spirituality, job satisfaction, and organizational commitment among the banking sector employees of Pakistan. Furthermore, workplace spirituality is found to be one of the predictors of job satisfaction and organizational commitment. Similarly, it is also substantiated with the help of current study that workplace spirituality impacts Islamic Bank's employees' job satisfaction and organizational commitment more as compared to Conventional Bank's employees' job satisfaction and organizational commitment.

LIMITATIONS AND FUTURE IMPLEMENTATION OF THE STUDY

Findings of the study reveal that workplace spirituality impacts the job satisfaction and organizational commitment of bank employees of Pakistan. It is further revealed in the study that workplace spirituality impacts Islamic Bank's employees' job satisfaction and organizational commitment more as compared to that of Conventional Bank's employees'. The scope of the current study was very limited because it was conducted only in branches of two banks in Rawalpindi/Islamabad region. Furthermore, the sample size of the study was very small. In order to increase the generalizability of the study, it should be conducted in all the major cities of the country at different organizational levels. The findings of the study can be implemented by Islamic Banks worldwide to increase satisfaction and commitment level of their employees.

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Voice of the Customer in the Islamic Market

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Purpose
The purpose of this paper is to document the building of a foundation of knowledge of the Islamic market through scholarly research and through obtaining the voice of the Islamic customer directly. In doing so answers are sought to the following questions: Do adherents to Islam represent a single consumer market? Is the market, or market(s), static? What are the market rules of engagement? What are the needs and concerns of Islamic customers? The answers to these questions and the knowledge acquired through research will provide a solid foundation from which to pursue additional studies in search of Islamic Lead Users, from both a product specific and socio-cultural perspective. The survey described comprised part of a thesis required for completion of a Master's of Science Degree in Innovation and Technology Management at University College Dublin Michael Smurfit Graduate Business School.

Survey Design/methodology/approach
A survey was completed through interviews and email exchanges with eighteen people from fourteen countries. Voice of the Customer methodology was blended with aspects of market research to answer the questions posed and capture the desired outcomes and priorities of consumer.

Findings
The Islamic market is a hybrid. It is a single market only at a basic level of adherence to Halal requirements in food. Quality and price of goods, and respect for Islamic beliefs are all major market considerations. The market is not static and new ideas are moving through the community relatively quickly.

Originality/value. This is the first paper to conduct a survey of Islamic consumers using a blending of voice of the customer methodologies, designed for the new product development process in high technology areas, with market research techniques.
Keywords. Voice of the customer, Islam, Religion, New Product Development.

Introduction

The Islamic consumeraccounts for an increasing share of world commerce with a population expected to reach 2.2 billion by 2030(The Future of the Global Muslim Population: Projections for 2010-2030 2011). The trade in food for Islamic people is estimated at $635 billion, with an additional $2 Trillion in non-food trade (Hashim 2011).
The consumer is broadly dispersed, encompassing fifty-seven Muslim-Majority countries, and non-majority population worldwide. Levels of economic development and GDP figures are from the lowest in the world to the highest. Market participants range from some of the wealthiest to some of the poorest people on earth.
One of the difficulties in seeking to engage with this complex market is how to design the business development approach so that the process is not one of costly trial and error. Companies wishing to develop new products or introduce existing products to the Islamic market may benefit from the application of techniques associated with high technology new product development (NPD) processes. Two associated methodologies are Voice of the Customer and Lead User, which involve the practise of asking a selection of potential users a series of open-ended questions in order to establish the desired outcomes of the user rather than specific product features. This has been shown to be a more effective approach than having the user define specific product features or capabilities (von Hippel 1986). Utilizing such new product development techniques can aid a company in achieving improved competitiveness within the Islamic marketthroughthe fostering of a deep engagement with the market participants that is based onunderstanding their unique requirements, respect fortheir beliefs, and an open mind as to one's own biases and preconceptions(Blocker et al. 2011),(Wilson 2011).
An application of leading edge new product development methodologies will assist in converting the knowledge gained from enhanced engagement with the consumer into actionable steps that can be implemented in the NPD or go-to-market process. The survey utilised in this paper is part of a benchmarking exercise to determine key starting points such as, what are they main concerns of the Islamic consumer. Follow-on studieswill focus on specific product areas and seek to identify potential Lead Users in the Islamic market.An important aspect of this initial research is to determine the level of homogeneity of the Islamic consumer, as Zhang has shown, in a Chinese context, getting this wrong has been a common cause of commercial failure for companies attempting to gain market share in a market that may at first appear homogeneous (Zhang et al. 2008).

Methodology used to obtain the Voice of the Islamic consumer

Plan Outline

VOC methodologies are applied to investigatecompetitively relevant aspects of the Islamic market. This is done using a survey of individuals who self-identify as Muslim. A minimum of thirteen customers are required to be interviewed using a questionnaire which incorporates both quantitative and qualitative questions; this number is chosen as a minimum because it has been shown,in technology development processes, that more than eighty per cent of customer needs can be obtained by interviewing thirteen or more individuals (Griffin and Hauser 1993). This survey utilised eighteen respondents from fourteen countries through a combination of face-to-face interviews, video enabled web connections and email.

Survey Construction& Sample Description

The survey is composed of twenty-six questions, attached as Appendix 1. Questions, 1,2A, 2B, are quantitative and ask the respondent to assign priorities on a five-point scale to five criteria in the purchase of food and beverages, personal care items, and pharmaceuticals (Importance Rating = How important is this to you. Satisfaction Rating = How satisfied are you with how this aspect is currently addressed. Scale: 0= Don't know, 1= Not at all, 4= Somewhat, 7= Very, 10= Completely). Questions three through twenty-four are open-ended qualitative questions that ask respondents to provide an opinion on the following high-level themes:

1) **Breadth of Halal Applicability - Questions 3, 4, 5, 6, 16:**
   The breadth of Halal certification that is desirable in relation to food and beverages, personal care items, pharmaceuticals, and finance; also the extent to which the desires expressed could be expected to allow an increased purchase price

2) **What mediatespurchase behaviour - Questions 7, 8, 9, 10, 11, 12, 13, 14:**
   Corporate and National profiles and actions, and their mediating of purchase behaviour

3) **Is there a single Islamic market - Questions 15, 17, 18, 19, 20, 21, 22, 23:**
   Assessing Homogeneity of the Islamic market, and stability of opinions in the Islamic community

4) **How quickly are new themes disseminating - Question 24:**
   Level of awareness of a sample emerging concept in the marketing of Halal goods

The following table shows the demographic data recorded for each respondent.
Table 1 Survey Respondent Detail

Respondent	Mode	Country of Residence	Country of Birth	Age Band	Gender	Education Level	Religiosity	Relative Income Level
1	Email	Iran	Iran	18/30	F	4th Level	High	Medium
2	Email	Iran	Iran	18/30	F	4th Level	Low	Medium
3	In person	Ireland	Iraq	18/30	M	2nd Level	High	Low
4	VoIP	Egypt	Egypt	18/30	F	4th Level	High	Medium
5	VoIP	Malaysia	Malaysia	31/42	M	4th Level	High	High
6	VoIP	Malaysia	UK	43/59	M	4th Level	High	High
7	Email	Malaysia	UK	43/59	M	4th Level	High	Medium
8	VoIP	Sweden	Iraq	43/59	M	4th Level	High	High
9	VoIP	S Africa	S Africa	31/42	M	4th Level	High	Medium
10	Email	Turkey	Turkey	31/42	F	4th Level	Low	Medium

11	VoIP	UK	Pakistan	31/42	F	4th Level	High	High
12	Email	USA	USA	43/59	M	2nd Level	High	High
13	Email	USA	Palestine	43/59	M	4th Level	Low	High
14	Email	Kuwait	Kuwait	43/59	M	4th Level	High	High
15	Email	France	Kuwait	18/30	F	4th Level	Low	Medium
16	VoIP	UAE	UAE	31/42	M	4th Level	High	Medium
17	Email	Oman	India	31/42	F	4th Level	High	Medium
18	In person	Ireland	Algeria	43/59	M	3rd Level	High	Medium

Analysis of Data

Breadth of Halal Applicability

In part 3.1 we discuss the breadth of halal applicability as it relates to food and beverages, personal care items, pharmaceuticals and finance.

The breadth of Halal certification that is desirable in relation to food and beverages

Quantitative questioning: In the purchase of food or beverages,fifty-nine per cent of respondents view Halal conformance as their highest priority. This figure (fifty-nine per cent) is reduced from a possible sixty-five per cent by a respondent who rated Halal compliance as a low priority as all food in their country of residence is considered Halal. This phenomena is consistent with the findings of Rajagopal (Rajagopal et al. 2011) and Padilla (Padilla and Perez 2003) that one's sense of priorities can be influenced by the extent to which one lives as a member of a dominant culture. A resident of a Muslim-majority country with a high level of religiosity can display a lower level of interest in Halal certification of food due to their viewing Halal as a hygiene factor, as compared to a Muslim individual of similar religiosity living in a non-Muslim majority country. Therefore, a producer can expect little reward from the highly religious consumer in merely adhering to basic Halal certification, and identifying actions that 'Excite' this customer will be required to gain a competitive advantage. The second aspect to this phenomenon is that religious Muslims can provide a similar answer to survey questions as a secular Muslim for different reasons. This highlights the importance of understanding the subtext of all survey answers.
Quality was rated as top priority by twenty-four per cent and Value for Money was rated as top priority by eighteen per cent of respondents.

Qualitative questioning:Shows sixty-seven per cent desire a Halal supply chain for food that extends from 'Field to Fork'. Twenty-two per cent of respondents are only concerned with Halal certification at point of slaughter and eleven per centof respondents do not require Halal certification. Amongst those who desire 'Field to fork' Halal certification concern was greatest for the storage and transport of what one respondent described as 'wet goods', which are considered more at risk of contamination by Haram substances.
A high level of practicality was evidenced in the answers with adherence to regulations concerning care of animals, welfare of employees, damaged packaging and quality of packaging all being considered relevant. This result shows a high level of demand in the food sectorfor a broad adherence to Halal that goes beyond point of slaughter requirements. The greatest interest in a broadened Halal standard relates to the logistics aspect of the supply chain but interest is also evident in what was termed by many respondents as a more wholesome approach to farming, and care of animals prior to slaughter. Of the respondents supporting a broader Halal approach to the supply chain, seventy-five per cent would be willing to pay a price uplift not to exceed fifty per cent of the purchase price. Seventeen per cent felt that increased market share would be its own reward and eight per cent felt a price uplift of eighty per cent was justified.
Table 2 Aggregate results Priorities and Requirements in Food/Bev.
QT= Quantitative Questions: QA= Qualitative Questions:
F2F= Field to Fork: POSL= Point of Slaughter:
H.N.R= Halal Not Required

Selection Criteria						
	Priority 1	Priority 2	3	4	5	Not Required

	QT	QA	QT	QA	QT	QA	QT	QA	QT	QA	
Quantitative	%	%	%	%	%	%	%	%	%	%	%
Price:						41		47		12	
Quality:	24			41		29		6			
Value for money:	18			41		18		24			
Halal compliance:	59			18		6		6		12	
Opinions						6		18		76	
Qualitative											
F2F		67									
P.O.SL		22									
H.N.R											11
Uplift<50%		75									
Uplift=80%		8									
Uplift=No		17									

The breadth of Halal certification that is desirable in relation to personal care items and pharmaceuticals

Quantitative questions Personal Care:Forty-one per cent of respondents chose Quality as their top priority;twenty-nine per cent chose Value for money and twenty-four per cent chose Halal compliance. Forty-one per centchose Halal conformance as their lowest priority.

Quantitative questions Pharmaceuticals: Forty-seven per cent of respondents chose Quality as their top priority, Halal compliance was chosen as top priority by twenty-nine per cent, and twenty-four per cent chose Value for money as their top priority. Thirty-five per cent of respondents chose Halal conformance as their lowest priority.

Qualitative questions: Halal conformance in personal care and pharmaceutical produced three broad categories of answers that can be paraphrased as follows:

'Absolutely yes we must have Halal in these items' Forty-four per cent

'This is not required, I have been told this by scholars and Imams'Thirty-three per cent

'Maybe this could be a good idea' Twenty-two per cent

Respondents revealed that this was much more nuanced than the food area. There was general acknowledgement that essential medicines are not required to be Halal certified. There was also general agreement that where an essential medicine was Halal certified it would be preferable to a comparable medicine that was not Halal certified. This was apparent to a lesser degree in discussions of items such as shampoo and skin cream. The lack of a majority asking for Halal conformance in the personal care product areas does not automatically mean that providing such certification could not result in a competitive advantage. Simonson's study of how consumers make purchase decisions (Simonson 1993) suggests that such a product, priced competitively, could become market dominant. This is becauseconsumers deciding at the point of purchase make relative rather than absolute decisions that typically involve compromise. Moderately priced Halal toothpaste for example may potentially be viewed as such a virtuous compromise. Prototyping and ethnographic research are required to test this hypothesis.
Table 3 Aggregate results Priorities and Requirements in personalcare and pharmaceuticals.
M.H.R= Mandatory Halal Requirement: N.H.R= No Halal Requirement: O.H.R= Open to Halal Requirement

Selection Criteria												
	Priority1		2		3		4		5		NHR	OHR
	PCI	PHS	PCI	PHS	PCI	PHS	PCI	PHS	PCI	PHS		
Quantitative	%	%	%	%	%	%	%	%	%	%	%	%
Price:	6		29	18	24	35	41	47				

Quality:	41	47	41	41	12	6	6	6				
Value for money:	29	24	18	18	29	41	24	6		12		
Halal compliance:	24	29	12	12	18	12	6	12	41	35		
Opinions				12	18	6	24	29	59	53		
Qualitative												
M.H.R	44											
N.H.R											33	
O.H.R												22

The breadth of Halal certification that is desirable in Islamic Finance

This area featured in one question in the qualitative section. Fifty per cent of respondents felt strongly that Islamic finance should be used to finance an Islamic-ownedbusiness. Thirty-three per cent felt it was a 'nice to have', where it was available and no hardship occurred from the choice. Seventeen per cent of respondents felt it was unnecessary to use Islamic finance. One respondent who is an internationally recognised expert on Islamic finance (identity withheld for reasons of confidentiality) stated that he had been contacted by the Brazilian government to consult on the Islamic financing of non-Muslim owned businesses in Brazil; the objective being to provide a competitive advantage when exporting to Muslim markets. This approach by Brazil, if it materialises, will further expand the boundaries of the Halal supply chain.

Table 4 Aggregate results Requirement to use Sharia Finance

Requirement for Sharia Finance	% Respondents	Comments
Mandatory Requirement	55	High Religiosity
Optional Requirement	33	No evident correlations
Not Required	17	No evident correlations

The following quote from a respondent who owns a medium size European-based Food Company provides an insight into a non-faith based rationale involved in the decision to use Sharia finance to fund working capital. That the respondent also scored high for religiosity underlines the dangers of making assumptions as to why particular choices are made:
'Based on my experience, Islamic finance works much better as they understand me and my business, Western banks are reluctant to loan me money and will only loan me money through factoring my receivables at 80%. They do not understand the size of the opportunity in the Muslim market. This is a needs based decision.'

Which corporate and state actions mediates purchase behaviour

In part 3.2 findings regarding the influence of corporate and national profiles and actions on purchasing behaviour are discussed.

Corporate actions and their moderating effect on purchases

The surveys completed in person or via video link provided the richest input in this area as they allowed for discussion and elaboration. A uniform theme that developed from these interviews is that corporate actions that are offensive to Islam are generally viewed as inadvertent and have little long-term effects on individual purchase behaviour. Corporate actions that are viewed as conveying respect for Islamic beliefs and are actively communicated to the market have the ability to have a positive influence on the consumers pre-disposition to purchasing a product. However, consistent with the findings of Holt in his study of Global Brands (Holt et al. 2004), perception of quality is still of primary importance. This is consistent with the results shown in the quantitative questions where in the area of personal care and pharmaceuticals, forty-one per cent and forty-seven per cent respectively of respondents chose Quality as their top priority. The duality of the Islamic business experience as described by Rice (Rice 1999) may be in evidence, such that Halal conformance is important and Quality is also important.

The following extract from the Nestlé corporate web site was offered by one respondent as a particularly effective blending of brand power, corporate respect for Islam and conveying a sense of product quality. Nestlé is amongst the largest suppliers of food and beverages to the Islamic consumer (Alserhan 2010).

Good Food, Good Life

‘Halal implementation begins at the R&D and development stage. Nestlé’s suppliers must provide only halal raw materials of the highest quality. Precise procedures are put in place to ensure all raw materials, manufacturing processes and supply chain meet halal requirements.’ ('Nestlé-tasteofhome' 2009)

State actions and their moderating effect on purchases

Respondents were asked to list countries they regarded as respectful of Islamic beliefs and countries viewed as disrespectful of Islamic beliefs. Respondents were then asked how their perceptions influenced their purchase decisions.

Countries that are considered disrespectful of Islamic beliefs

For the two respondents from Iran all Western countries are considered disrespectful of Islamic beliefs. Forother respondents, a selection of European countries and the US are considered disrespectful of Islamic beliefs. Israel is considered disrespectful of Islamic beliefs by all respondents. Denmark was singled out for particular comment due to what was described as ‘the insulting image of the Prophet Mohammad (pbuh) published in Danish newspapers’ and the lack of what was deemed a suitable response by the Danish government. France was regarded as disrespectful of Islamic beliefs mainly due to the ban on items of Islamic clothing, the hijab and nijab. Interestingly two respondents of high religiosity supported the ban on the Nijab and Burqa and still regarded France as disrespectful of Islam due to what they felt was active discrimination against Muslims in the work place and at a state level.The following extract shows the conflicting results for this question, where Australia, Germany, the UK and the US are as being viewed as both respectful and disrespectful of Islamic beliefs:

Countries regarded as disrespectfulof Islamic beliefs: Australia, Belgium, China, Denmark, France,Germany, India, Israel, UK, US, All Western countries

Countries regarded as respectful of Islamic beliefs:

Australia, Austria, Brazil, Canada, Cuba,Germany,Ireland, New Zealand, Singapore, Scandinavia, Thailand, UK, US,Venezuela

Countries regarded as respectful of Islamic beliefs

The answer to this question included a broad cross section of the Western world, with some respondents only viewing Muslim-majority countries as Islam-friendly. The basis of choosing a Western country as respectful of Islamic beliefs was stated in some cases to be based on direct experience such as conducting business, travel, or living as an immigrant in a particular country.

Mediating effect on purchases of corporate and state actions

Anecdotally, respondents described outright boycotts of goods based on corporate or state actions or inactions perceived in a negative light to be a short-term consequence. Sixty per cent of respondents felt that actions may somewhat mediate their purchase decisions. Of these sixty per cent of respondents, actions viewed in a positive light are deemed likely to have a positive influence on purchase decisions, all else being equal. Actions viewed in a negative light are likely to have little long-term effect. Twenty per cent of useable responses stated a strong intention to mediate their purchase behaviour based on either corporate or state actions. In addition, twenty per cent of respondents stated they would not mediate their purchase behaviour based on corporate or state actions.

Table 5 Aggregate results Impact on purchase decisionsof stateand corporate actions

Impact on purchase decisions of state or corporate actions	% Respondents	Comments
Moderate Impact	60	No evident correlations
Strong Impact	20	High Religiosity
No Impact	20	No evident correlations

In conclusion, controversy, such as that surrounding the French ban on items of Islamic dress, appears to have little long-term effect on business. Direct insults to the Prophet Mohammad (pbuh) are likely to have a somewhat longer but still transient impact. Positive actions by the governments and companies are stated as being more impactfulin their effect on purchase decisions, than negative actions, however this comes with many caveats: requirements such as quality, price, and value for money must be acceptable. Positive actions by the state or corporation must be effectively communicated, and then with a choice of two similar products the product of the company viewed in a favourable light is more likely to be purchased. This finding is consistent with the findings of Holt (Holt et al. 2004) that quality is the first determinant to brand success followed by what is termed Global Myth. As explained earlier, Global Myth is not a pejorative term but refers to a view shared by like-minded people globally. In this instance, the Global Myth shared by like-minded Islamic consumers can be that a given country is an Islam-friendly country and its companies show respect in practical ways for Islamic concerns and requirements.

Is there a single Islamic market?

In part 3.3, the homogeneity of the Islamic market is explored.

Homogeneity of the Islamic market

Respondents are asked directly ‘Is there a single Islamic market’and the answer was sought indirectly through questions designed to determine respondents' level of allocentrism and idiocentrism. Allocentric individuals are more concerned with the views of family, friends and local community in forming their opinions and purchase decisions. Idiocentric individuals are more independent in how they form their views. In turn, it has been shown that such personal values affect priorities and choices in the purchase of goods. Zhang's study (Zhang et al. 2008) of such concepts in China showed that coastal and inland Chinese cities represented separate markets because inland respondents are consistently allocentric whilst coastal respondents are idiocentric.

The difference in personal values leads to different purchase requirements and defines the respondents as separate markets. In addition, allocentric societies are expected to spend a larger percentage of their income on food due to the more communal nature of their lives. Hence, the question was also posed as to the percentage of income spent on food in order to provide a point for triangulation.

The results of the three quantitative questions show an extremely low level of influence attributed to family, friends and local community in the purchase of goods. In the purchase of food and beverages,seventy-six per cent of respondents rated this as their lowest priority of the choices given. In personal care items and pharmaceuticals, it was rated respectively by fifty-nine per centand fifty-three per cent as their lowest priority. No respondent rated it as a top priority in any category and just two respondents or twelve per cent rated it as a second priority on the purchase of pharmaceutical products.

This result does not appear consistent with the western view of Islamic culture, described in a Middle Eastern context by Lust (Lust 2011) as maintaining ‘strong clan and tribal and kinship ties’. In many cases respondents stated that the Islamic canon was their primary guide as to priority of purchase. It may well be that Zhang's findings are more consistent with a Confusion society than an Islamic society that contains such a profound source of guidance as the Qur'an. Regardless, it would be inappropriate to conclude that the almost uniform level of idiocentrism proves Islamic consumer are a homogeneous entity. No clear correlation is found between this variable and any other variable involved in this study,therefore,conclusions cannot be drawn.

The qualitative question asking ‘Is the Islamic Market a single market’ received a mixed response, short one word answers more often indicating ‘Yes’ than ‘No’ and longer more nuanced answers. The detailed answers describea single market in basic requirements such as adherence to Halal certification for food but subject to normal socio-economic, cultural, and other variables once you moved past this basic requirement. Respondents who engaged in direct sales or other business development activities in the Islamic market are uniform in their view that it is not a single market. Some respondents did not have a well-formed opinion on this topic, and some did not understand the question.

Thirty-nine per centof respondents felt strongly that the Islamic consumer could not be regarded as homogenous entity despite the commonalities brought by adherence to Islam. Twenty two per cent of respondents felt that Islamic consumers represent a single market, and a similar percentage did not have an opinion. Seventeen per cent of respondents provided a qualified answer, stating that in basic adherence to Halal requirements for food the consumer could be regarded as homogeneous, but that once you moved beyond this basic level, regional and other difference quickly emerged. One respondent from the UAE provided the practical example of being unable to sell Indian sourced spicy food in the Middle East regardless of the Halal nature of the product, as the local palate would not enjoy the spice level.

The respondents who stated it was a homogeneous market provided single word or indirect answers. The respondents who felt strongly that the Islamic markets is not homogeneous provided more detailed answers, and are involved in the organisational structures of that market or sell in that market. However, these individuals are answering the question posed in a single context, which is the selling of specific products to a specific consumer; in a wider context, the answer may be more complex. A new discipline of Islamic Marketing (Alserhan 2010)(Saeed et al. 2001) has recently developed in order to adapt to this complexity andunderstand the areas where the Islamic consumer will be homogeneous and the areas where they will be heterogeneous.

Table 6 Aggregate results Is there a single Islamic market

Is there a single Islamic market	% Respondents	Comments
No	39	No evident correlations
Yes	22	High Religiosity
Do not know	22	No evident correlations
Yes, only in basic ways	17	No evident correlations

How quickly are new themes disseminating and stability of views
In part 3.4, the remaining questions of stability of views and awareness of an emerging concept in the marketing of halal goods are addressed.

Stability of Views
The speed of change in a society has been shown by von Hippel (von Hippel 1986) , and Blocker (Blocker et al. 2011) to be relevant to utilizing the voice of the customer as this methodology is considered most effective in fast changing environments.An analysis of the results of the survey shows that fifty-six per cent of respondents felt their views and those of the wider Islamic community have changed in a significant way in the last five years. The uniform reason given for the change in views was described as 'an increased level of awareness' which referred to awareness of both Halal requirements and issues such as product ingredients. Thirty-nine per cent of respondents reported that there had not been a change in their views or the views of their wider community in the last five years. Five per cent did not have an opinion.

Awareness of an emerging concept - Tayyib
Fifty-six per cent of respondents reported a lack of awareness of the use of this concept in the marketing of Halal goods and forty-four per centreport an awareness of the concept. Though it is not possible to say definitively when the first organised attempt at promoting the use of the term as an adjunct to Halal was used; it appears from researching Halal focused journals to be approximately two years ('Halal and Organic...Finally!' 2009). This is consistent with the researcher's experience of the concept being presented in 2010, at the European Halal Forum Conference in London, UK as a new approach to marketing wholesome Halal food. Based on the timeline it can be concluded that new concepts are moving through the Islamic community relatively quickly.

Table 7 Aggregate results Stability of views and awareness of new concepts

Are views changing	% Respondents	Comments
Yes	56	No evident correlations
No	39	No evident correlations
Do not know	5	No evident correlations
Awareness of Tayyib		
None	56	No evident correlations
Yes	44	No evident correlations

Analysis Summary

Breadth of Halal applicability

For observant Muslims, Halal certification of food is a minimum requirement. There is an interest in having the scope of certification expand to cover the full supply chain. There is an increasing interest in having Halal certification of the ingredients of personal care items and pharmaceuticals. However, this is a more polarised area than food with rare agreement between secular Muslims and some Muslims of high religiosity that Halal does not apply in these areas. Sharia finance is considered a good business choice by some respondents; a number of respondents consider it mandatorywhile the middle ground is occupied by those who regard it as preferable where no hardship is caused.

What corporate and state actions affect purchase behaviour?

State actions perceived as negative appear to have only short-term impact on consumers purchase decisions. Corporate actions perceived as negative are generally construed as inadvertent and have little impact. State and corporate actions perceived as positive are likely to have a longer-term positive impact on purchase decisions but not to the extent that they replace the importance of product based considerations such as quality or value for money.

Is there a single Islamic market?

Islamic business people selling within the market focus on the regional differences to say 'No' it is not a single market. Some respondents focus on the unifying theme of Islam to say 'Yes' it is a single market. A middle ground is occupied by those who say it is a single market in regards to the basic implementation of Halal in food and beverage but that beyond that point it is subject to the standard segmentations that can be applied to any market.

How quickly are new themes disseminating and stability of views?
New concepts are disseminating quite quickly with a regular mention of 'increased awareness' given as a reason for current views and choices. However, it cannot be said that there is evidence of a rapidly changing market environment. Therefore, further research is required in order to provide a more definitive answer as to the applicability of generic Lead User methodologies in the Islamic market.

Note: Contrary to the findings of Choi on information-sources utilised (Choi et al. 2010) no significant correlation was found between level of religiosity and the priority assigned to the opinion of family, friends and local community in a purchase decision. It is worth noting that Choi's study did not include any Muslim participants. An insight into why Choi's findings are not replicated is provided by the findings from a study of the effects of religiosity conducted by Sood (Sood and Nasu 1995). Sood examined the effects of religiosity on consumer behavior amongst American Protestants and members of a combined Japanese faith that is a synergy of Shinto and Buddhism. A strong correlation was found amongst American Protestants between religiosity and consumer behaviour. No similar correlation was found amongst the Japanese religious group, in which case religion did not mediate consumer behaviour. This study highlights that as the effect of religiosity on consumer behaviour is shown to differ amongst religions, measures designed to assess the behaviour of non-Islamic consumers may require re-validation before being used in an Islamic market.
Companies deciding how to approach the Islamic market can learn from looking at the actions of well-resourced leaders in the market. During the course of this research, Nestlé was offered as a company that is building strong brand loyalty in the Islamic world.
The following extract from the Nestlé 'Taste of Home' campaign website, shows a strong correlation to the findings of this research and shows how one company is implementing the results of listening to the voice of the customer. Each of the key areas identified in this research appear in the top four categories covered in the Nestlé campaign: Halal certification is shown first, indicating its priority. Quality is second on the list and described as 'comparable' showing an approach that avoids excess claims. Good packaging is shown third on the list, which is addressing the concern for contamination with Haram items. Trusted brands appear fourth, echoing both the need for trust in the relationship and the importance associated with brands.
In summary, Halal products from Nestle Taste of home will provide our customers and consumers with:

- Halal Certification
- Comparable Quality
- Good Packaging – safe and attractive
- Trusted BRANDS
- Value Added
- Show of pride – appreciate value
- Peace of mind

Discussion and Conclusions

Introduction
The methodology used in this project is based on that defined for gathering the Voice of the Customer in both Quality Function Deployment (QFD) and Lead User applications, with due consideration taken of the developments in and limitations of VOC methodologies. A review of the relevant literature shows that major adjustments to the process are not required to accommodate the religious underpinnings of the Islamic market.

An important aspect of the research is to determine the level of homogeneity of the Islamic consumer, as Zhang has shown in a Chinese context, getting this wrong has been a common cause of commercial failure for companies attempting to gain market share in a market that may at first appear homogeneous (Zhang et al. 2008).

Limitations of this study

Education Level of Respondents
A limitation to this study may be the overweight representation of the highly educated Muslim consumer. This was brought about by a number of factors; the survey is presented in English, thereby likely disallowing participation by a significant segment of the Islamic world and rendering it available to people who possess a second language, a characteristicthatis more likely to be present among the more highly educated. This limitation was compounded by the mode of delivery, as Skype and email could reasonably be considered more accessible to those in the higher socio-economic brackets in society. However, Katz has shown that access to the internet does not rise in step with socio-economic position rather tending to plateau and drop slightly at the mid-point in the socio-economic divide (Katz and Aspden 1997). In addition, due to the GDP per-capita divergences among the populations of Islamic countries revealed

by Hassan (Hassan et al. 2010), it may well be that the higher educated and higher socio economically positioned consumer in Islamic markets is the one that can most afford to buy imported products.

Sample size and representative nature of the sample

Sample size can potentially be viewed as a limitation of the study. A sample size of eighteen from a population approaching 1.8 billion raises the questions as to how broadly the results can be generalised to the wider Islamic population. The effects of these limitations may not be as detrimental to the value of the research as first appears. Griffin and Hauser who provide the foundation for VOC methodologies (Griffin and Hauser 1993) state that a sample size above twelve participants can be expected to deliver eighty per cent of customer needs, with the number rising towards ninety-five per cent identification of needs as the participant sample size increases towards thirty respondents. The von Hippel engagement with Lead Users also utilizes highly rarefied population samples (von Hippel 1986). An acknowledged limitation of the Lead User methodology is that the opinions of Lead Users cannot always be generalised to the wider 'following' population. As shown earlier, sixty-six per cent of respondents self-reported as fully representative of the wider community and sixteen per cent as somewhat representative. Sixteen per cent felt they are not representative based on reasons of relative religiosity. However, it is hoped that it is possible to extract learning from a sample size of eighteen respondents, representing individuals from fourteen countries. The survey comprised both genders, diverse age groups, both main branches of Islam, diverse schools of jurisprudence, and included the secular Muslim voice.

Suggestions for Future Research

Further research can include a study of the larger Islamic markets as defined by purchasing power, focused on the buying habits of Islamic consumers, triangulated to a range of demographics such as income level, level of religiosity, and school of jurisprudence. A key aspect of the study must be to continue to work to identify Lead Users for the particular product or service who can be shown to be representative of a wider market. A follow-on study that is focused on a specific industry and product may yield the greatest return on investment for both industry and the academic body of knowledge. A follow on study that was completed in person rather than electronically and to the extent possible that utilised the first language of the respondents would appear ideal.

Conclusion

A broad selection of researchers, many of who have been cited in this paper, caution against asking customer for specific solutions, as it is said to lead to less innovative solutions and a higher likelihood of a product failure(von Hippel 1986), (Ulwick 2002), (Cooper 2001). This sound advice needs to be balanced against the equally negative practise of asking the customer what they want, getting an explicit answer and then not delivering what was requested either in specific features or in outcomes.

Some of what the Islamic consumer has voiced in this paper can be construed as solutions, and from these solutions, desired outcomes may be extrapolated. The requested solutions cross boundaries between the state and the corporation, as one of the objectives of this study is to determine the likely effect of state policies on purchase decisions.

Questions Answered

Is the Islamic market a single market? This research provides reasonable grounds for saying it is not a single market, it is a diverse group of markets with a strong unifying theme. However, having concluded this study, the more appropriate questions appear to be 'What *are* the unifying themes of the Islamic market? And how can they be leveraged to gain a competitive advantage?' Answering this question and educating a wider audience is the rationale behind the emergence of the field of Islamic Marketing (Alserhan 2010).

What are the priorities of the Islamic consumer? The priorities are mediated to an extent by religiosity, with either extreme having complete interest or no interest in Halal certification. They are also mediated to an extent by gender and residence in a Muslim-majority country. In the middle ground, Halal certification becomes a hygiene factor and quality and other purely secular considerations come to the fore. There is some interest in Halal certification of personal care and pharmaceutical products; an interest that appears to be growing with increased awareness of the complexity of the ingredient chain. The Islamic consumers who participated in this study do not require non-Muslim companies to embrace Sharia finance. However, the actions of Brazilian producers in this area and the benefits extolled by some respondents make it an alternative that may need to be considered in order to remain competitive.

What are the consequences of a country or company being perceived in a positive or negative light?

There appears to be little long-term consequences for global brands because of state actions. Danish and French brands, which may not be global, also appear largely unaffected by recent controversies. However, products have been boycotted in some cases for up to a year because of state action or inaction. A global brand with deep resources is likely to have more potential to withstand such an event than does a lesser-knownbrand with fewer resources. Therefore, while the research can describe such events as yearlong boycotts as 'of little long term consequence' the impact felt by a smaller company may be significant.

Corporate actions that are viewed as negative are considered inadvertent. Actions viewed as positive are shown to dispose the consumer towards purchasing the products of that company, where the product quality, price and other features are comparable to the competitive product.The lack of a dramatic rewardfor positive behaviour may encourage some companies to focus on delivering the basics such as a quality product, Halal certified, at a good price. This would be to ignore the complexities of the competitive landscape, and the also the benefits of proactive engagement advocated by Blocker (Blocker et al. 2011). The Islamic market certainly meets two of the requirement that indicate a gain can be expected from proactive engagement; it is global and trans-national. Further research is required to determine the extent to which it meets the third requirement, which is 'the intensity of on-going change in what consumers' value – customer value change intensity (CVCI)'. However, this research has shown that CVCI is not static in the Islamic market.

Advice Offered
The advice offered by the respondents to this survey includes the following:

1. Freedom of religion that includes choice of dress
2. A proactive engagement by companies with the Islamic community and not just the specific target market segment
3. The establishment of an active CSR program that addresses the Islamic community in the target market and the communication of this effort to the community
4. A positive engagement at a state level to encourage the presentation of Islam and the Islamic people in a manner than balances the extreme view shown in news reports
5. Hiring of highly educated Muslims to guide corporate compliance with Halal requirements and also as in-country representatives' in target markets
6. The provision of Halal certified logistics services

Outcomes Desired
The outcomes desired are:

1. Halal compliance in all aspects of food
2. High quality products that reflect Islamic requirements
3. Reasonable pricing on products
4. Mutual respect in business dealings
5. Equality in business dealings
6. Honesty and ethics in business
7. Transparency in corporate behaviour

The seven points listed above are considered to be standard Sharia guidance on how to conduct business. None of these outcomes could be considered radical or extreme. The fact that they are basic underpinnings of Sharia law on commerce and trade can give comfort to companies wishing to compete in Islamic markets.

In keeping with the ethos of listening to the voice of the customer, the closing comment of this paper is provided by a senior figure in the Halal Industry and provides an insight into the complexities of the Islamic market and the practical actions that can be considered by companies:

'….The Islamic community is very diverse, diversity helps survival, what works in Saudi does not work in Ireland. Contradictions are part and parcel of the market and are OK as they accommodate diversity of views. Do not expect conformity. Trust is pivotal and a Muslim will always trust a Muslim more than a non-Muslim who is more qualified. Engage with the wider local community of Muslims; seek out educated skilled Muslims to have a dialogue with. Companies can provide a clean area for Muslim workers to pray in, this is a concrete action that can show respect in a meaningful way. Some places we have visited ….Have had filthy areas, or none. Look at the example of New Zealand where slaughter shifts are adjusted to suit prayer times…'

Appendix 1: VOC Survey
Note: Reformatted from original for ease of reading
A Survey of the Voice of the Islamic Customer: Your identity will not be included in the thesis. As you read each question in addition to any applicable ranking of 1-5, please also note, (where <u>you</u> feel it is appropriate to the question,) on a scale of 1-10 how important is this area, and how satisfied you are with how it is currently being addressed. The purpose is to identify important areas where the customer is not happy with how the area is addressed.

Question 1:
Rank the importance of the following factors in your purchase of food or beverages, 1 being most important, 5 least important, only one item can have each score:Price:Quality:Value for money:Halal compliance:Opinions of family, friends, or local community:

Question 2A:
When you purchase non-food items such as personal care products what is the importance of the following factors: Price:Quality:Value for money:Halal compliance:Opinions of family, friends, or local community:

Question 2B:

When you purchase non-food items such as pharmaceutical products what is the importance of the following factors: Price:Quality:Value for money:Halal compliance:
Opinions of family, friends, or local community:

Question 3:
What are your main requirements and concerns in adherence to Halal guidelines on food, for example slaughter only, also pre-slaughter animal care, also post-slaughter handling, storage, shipment?

Question 4:
To what extent to you feel Sharia law should guide financial matters.

Question 5:
To what extent are you concerned by the shipment and storage of Halal goods in proximity to Haram items?

Question 6A:
If you had the choice between a lamb product that was Halal slaughter certified and a lamb product that was certified to a broader Halal standard that included the care and feeding of the animal and the storage and shipment of the meat product, would you pay a higher price for the broader certification?

Question 6B:
If so, what percentage of the purchase price do you feel is a reasonable uplift to compensate for additional costs incurred by the producer?

Question 7:
Which if any non-Muslim majority countries do you perceive as respectful of Islam?

Question 8:
Which if any non-Muslim majority countries do you perceive as disrespectful of Islam?

Question 9:
In what specific ways can an Irish company demonstrate respect for Islamic beliefs?

Question 10:
What actions by a company would show disrespect for Islamic beliefs?

Question 11:
How does this affect your purchase decision from this company?

Question 12:
What specific actions could the Irish Government take to show respect for Islamic beliefs?

Question 13:
What actions by a National Government show disrespect for Islamic beliefs?

Question 14:
How does this affect your purchase decision on goods from this country?

Question 15:
To what extent do you feel your customer choices and needs are representative of the Islamic community?

Some in the Islamic community wish to expand the application of Halal concepts to include non-food products such as cosmetics and pharmaceuticals.

Question 16:
To what extent do you agree that Halal should cover cosmetics and pharmaceuticals?

Question 17: To what extent do you feel your views reflect the views of the wider Islamic community?

Question 18:
To what extent have your views on Halal observance changed over the last five years?

Question 19:
To what extent do you believe that the views on Halal observance by friends, family and local community have changed over the last five years?

Question 20:
To what extent do you feel the wider Islamic community supports a broad adherence to Halal concepts such as the care of animals from birth, and adherence to final consumption?

Question 21:
To what extent do you feel the 'Islamic market' is a single market?

Question 22:
To what extent do you consider the views of family, friends, or local community in forming your views on Halal considerations?

Question 23:
What percentage of your net income do you spend on food?

Question 24:
How familiar are you with the concept of Tayyib in relation to the marketing of wholesome food?

Importance and satisfaction can be recorded for all questions where you feel it is appropriate

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Importance Rating = How important is this to you
Satisfaction Rating = How satisfied are you with how this aspect is currently addressed
Scale:
0 = Don't know
1 = Not at all
4 = Somewhat
7 = Very
10 = Completely
Respondent profile: Name, Contact details, Age Band18-30, 31-42, 43-59, 60+
Gender M, F. Educational level, 1st level, 2nd, 3rd,4th. Country of birth, Country of residence
Income Range relative to country of birth Low, Medium, High
Income Range relative to country of residenceLow, Medium, High

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Religiosity Questions

Practising Muslim y/n
Performed Hajj y/n
Intend to perform Hajj y/n
Perform Salat y/n
Perform Zakat y/n

Mode of interview Location Date

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Gold Investment in Malaysia: Its Operations and Contemporary Applications

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ABSTRACT

Purpose: This paper provides a comprehensive discussion on the gold investment, its operation, contemporary applications, challenges and prospects in the context of Malaysia.
Design/methodology/approach: This paper follows qualitative or descriptive research method, relating to the *shariah* compliance issues in relation to the status of Malaysia as a country that practices a dual financial system.
Findings: Gold investment in Malaysia offers a rewarding and secure asset class for investors through two different ways, physical gold or gold account "paper gold". Gold account allows investors to make deposits when gold prices are low and withdraw the funds at profit when the gold price rises.
Research limitations/implications: This paper provides a clear picture of gold investment in Malaysia, the pros and cons of the different ways of gold investment. On the other hand, the *shariah* compliance issues have been discussed to clarify the status of gold investment from Islamic perspective. Therefore, it serves as good practices of investor's guideline.
Originality/value: This study contributes to the literature since studies on gold investment have been scarce compared to other types of investment, and it adds as a valuable piece of information in evaluating gold investment as an option in diversifying investment risks, especially against global economic uncertainties.

JEL: G10, G11, G14, G15, F31; F33
Keywords: Dual financial system; Gold investment; Inflation; Malaysia; *Shariah*.
Field of Research: Contemporary Issues in Finance; Gold Investment; Investment.

1.0 Introduction

Gold acts as a reliable store of value because it fulfils the unique functions of money. It is portable and divisible, while its weight is a good measurement of a unit of value. It is indestructible, relatively scarce and cannot creatively be manufactured, thus it is easily recognizable and acceptable as a form of payment. The supply of gold comes from mining, refining of re-cycled gold, and from sales by central banks and investors. Gold is traded 24 hours a day and has been an important precious metal for many millennia and almost all of the gold ever mined is still in existence. Demand for gold comes from many segments namely from consumers in the form of jewellery, dental fillings, and other uses; from industry as gold is one of the most ductile metals and an excellent conductor of heat and electricity; and from central banks, investors, and speculators as investments and as a vehicle to store value especially in times of political and economic uncertainty.

Unlike the market for other commodities, the gold market and gold prices are also influenced by possible supply related to the vast overhang of all of the gold ever mined and demand related to political uncertainty and inflationary prospects. A negative relationship between gold prices and mining output of the metal has been documented at least in the short run (Marsh, 1983). In addition, transactions in the gold market by central banks are generally not characterized by profit maximizing behaviour (Aggarwal & Soenen, 1988). Indeed, gold prices can suffer from much uncertainty and over-reaction to certain types of economic and political news. In addition to these factors, gold prices may also deviate from efficient market prices because of the special role played by gold as a store of value especially in times of political and economic uncertainty. Further, because of its long and important history in human affairs, ownership of gold is likely to have many psychological dimensions. Gold has been linked to the rise and fall of many empires in history and also discussed in many significant religious texts.

Gold is a popular investment because it is deemed to be a stable means in hedging inflation, storing intrinsic value, and preserving wealth besides generating high level of return. Whether as a stepping stone into the physical market or as a move to diversify investment portfolio, gold offers strong benefits to an investor. Gold offers secure value and it is easy to invest. The value of paper money may rise and fall but the value of gold remains remarkably stable. Gold fulfils the function of money and is accepted worldwide as a form of payment. Investors do not need a huge sum of gold to begin their gold investment. For example, gold coins can be purchased from weights as low as a quarter troy ounces. Finally, gold also diversifies your portfolio. Gold's low-to-negative correlation with stocks and bonds makes it an excellent portfolio diversifier. In fact, many financial advisers recommend keeping 5% to 10% of individual's total assets in gold.

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Figure 1 illustrates the world gold price for ten years period from 2002 until 2012 (present). It shows the potential of gold as an investment instrument due to its nature of rising in price, especially during economic crisis period.

Source: www.kitco.com

Figure 1: World Gold Price for 10 years Period (2002-2012)

Historically, gold was largely inaccessible to retail and individual investors due to the methods available in this commodity market. Investors had to buy gold bullion or gold coins from jewellers and some of the banks. That is the reason why the buyers of this precious metal were institutions, normally central banks and those company involved in the jewellery trade. After the year of 2000, the rise of commodity prices, coupled with a weakening of US Dollar, set the environment for a bullish trend in the gold price. Instead of the traditional way of buying the physical gold, Malaysia offers investors a unique method of gold investment. Banks in Malaysia allow investors to open a gold investment account, in which the account balance is measured in grams of gold rather than in Ringgit Malaysia (RM). Such measurement method provides flexibility to investors and permits them to make deposits when gold prices are low, and withdraw the funds at a profit when the prices of gold rise. Investors can even withdraw their investment by receiving gold wafers instead of cash.

Even though gold has been discussed as an investment instrument in the previous literature, none of the research covers the Malaysian perspective based on the real practice. There were some effort on discussing the gold characteristics as an investment instrument in Malaysia, but investors may have found difficulties in finding the information on the right method of this investment. Besides, the uniqueness of gold savings account as one of the method in gold investment in Malaysia justifies the need for conducting this research. Therefore, this paper provides a comprehensive discussion on the gold investment, its challenges and prospects, particularly in the context of Malaysia. It describes the different ways of gold investment in Malaysia, then weighing the pros and cons of each alternative. The *Shariah* compliance issues are discussed due to the status of Malaysia as a country that practices a dual financial system, and an important hub for the global Islamic finance industry.

The remainder of this paper is organized as follows. Section 2 deliberates on the literature reviews. Section 3 outlines the research design. Section 4 discusses the gold investment methods in Malaysia by analyzing the pros and cons of each alternative. Section 5 presents the issues in gold investment, the prospects, its challenges and *Shariah* compliance issues. Finally section 6 concludes.

2.0 Literature Review

2.1 The Gold Market

Gold is a precious metal which is also classed as a commodity and a monetary asset. It has acted as a multifaceted metal down through the centuries, possessing similar characteristics to money in that it acts as a store of wealth, medium of exchange and a unit of value (Goodman, 1956; Solt and Swanson, 1981). Gold is used in industrial components, jewellery, as an investment asset and reserve asset. Gold is a unique asset in that much of the gold ever mined still exists today. Gold is a highly liquid metal; it can be readily bought or sold 24 hours a day, in large denominations and at narrow spreads. This is highlighted by Draper et al. (2006) who note that total annual production of gold is cleared by the London Bullion Market Association every 2.5 days.

Central banks hold a large proportion of the above-ground stocks of gold (Kaufmann and Winters, 1989). Gold is held in central banks reserves for a number of reasons: diversification, economic security where gold maintains its purchasing power, physical security where gold is a liquid asset, provides confidence during economic crisis, maintains value and as insurance against market crisis. Other studies that look at the financial characteristics of gold include Faugere and van Erlach (2006), Sherman (1982) and Lucet et al. (2006). Meera and Larbani (2006) has also highlighted that gold has an excellent characteristics on the aspects of its acceptability, divisibility, mobility, stability and the standardization.

2.2 Gold as a Safe Haven Asset

The current economic crisis and the strength of the gold price motivate people to explore the viability of gold as a safe haven asset from losses in financial markets. Baur and Lucey (2010) prove the potential of gold as a safe haven asset. Based on their study, gold tends to hold its value when the stock markets experience extreme negative returns in the United States (US), United Kingdom (UK) and Germany. Besides, Capie et al. (2005) analyze the role of gold as a hedge against the dollar, finding evidence of the exchange-rate hedging potential of gold. McCown and Zimmerman (2006) examine a few of gold characteristics as a financial asset and find an evidence of the gold as an inflationary hedge. Their findings suggest gold has characteristics of zero beta assets and bearing no market risk.

A number of authors have reported on the role gold plays as an inflation hedge and the role inflation plays on the gold price. According to Lawrence (2003), no significant correlations exist between returns on gold and changes in certain macroeconomic variables such as inflation, GDP and interest rates. Sjaastad and Scacciavillani (1996) reported that gold is a store of value against inflation. Baker and Van-Tassel (1985) has documented that the price of gold depends on the future inflation rate. Sherman (1983) noted the log of the gold price is positively related to anticipated and unanticipated inflation. According to Kaufmann and Winters (1989), the gold price is based on, as well as other variables, changes in the US rate of inflation.

Traditionally gold has played a significant role during times of political and economic crises and during equity market crashes; whereby gold has responded with higher prices. According to Smith (2002), when the economic environment becomes more uncertain attention turns to investing in gold as a safe haven. The author notes that following the September 11th, 2001 terrorist attack, the FTSE All Share Index decreased by 9% while the London gold afternoon fixing price increased by 7.45%. Lawrence (2003) reported that gold returns are less correlated with returns on equity and bond indices than returns of other commodities. In line with gold’s role as an asset of last resort, Koutsoyiannis (1983) states that the price of gold is strongly related to the state of the US economy and geopolitical factors. Cai et al. (2001) noted that the Asian financial crisis and political tension in South Africa, which is also reported by Melvin and Sultan (1990), are significant factors influencing the gold price.

2.3 Gold as an Investment Instrument

According to Ciner (2001), gold has also played an important role as a precious metal with significant portfolio diversification properties. Other research also points to the benefits of inclusion of gold holdings as leading to a more balanced portfolio (Aggarwal and Soenen, 1988; Johnson and Soenen, 1997; Ciner, 2001; Egan and Peters, 2001; Sherman, 1982; Davidson et al., 2003; Draper et al., 2006). Although there is some evidence that in the gold market there is no strong relationship between risk and returns (Lucey & Tully, 2006b), the evidence presented here shows that the expected risk–return relationship does exist in the gold market. In addition, this evidence is consistent with the widespread contention that many gold producers and those who are major users of the metal actively use derivative products to hedge their risks (Bailey, 1987; Beelders, 2003, Cai, Cheung, & Wong, 2001; Callahan, 2002; Dionne & Garand, 2003; Tufano, 1996).

In Malaysian context, Ibrahim (2012) reported that there are potential benefits of gold investment during periods of stock market slumps especially for the purpose of designing financial investment portfolios. The findings emphasizes on the role of gold from a domestic perspective, which should be more relevant to domestic investors in guarding against recurring heightened stock market risk. The author found that a significant positive but low correlation is found between gold and once-lagged stock returns. Moreover, consecutive negative market returns do not seem to intensify the co-movement between the gold and stock markets as normally documented among national stock markets in times of financial turbulences. Indeed, there is some evidence that the gold market surges when faced with consecutive market decline. As one of the world’s most precious commodities, gold remains to be a secure investment.

Baharom and Ibrahim (2011) assessed whether gold investment provides diversification, hedge, or safe haven benefit for the case of Malaysia using daily data from August 2001 to March 2010. Their results indicate that at best gold serves as a diversification asset for Malaysian investors. In the analysis, they found changing investment role of gold in recent years marked by global financial market uncertainties. The hedge and safe haven properties of gold investment documented in the initial sub-sample have been degraded to only diversification property.

3.0 Research Design

This paper will follow qualitative or descriptive research method, relating to the growing issues of gold investment in Malaysia. So far, studies on gold investment are very scarce compared to other types of investment. Hence, this study contributes to the literature by critically discussing gold investment, which benefits the investors, regulators and researchers. This research add valuable piece of information in evaluating the gold investment as another option in diversifying investment risks, especially against global economic uncertainties. Sources of data include interviews, documents and texts (i.e. archival research), specifically from the Central Bank of Malaysia (BNM), National Fatwa Council Malaysia, gold miners, gold manufacturer companies (example: Public Gold), goldsmiths (Tomei, Poh Kong and Habib Jewels Goldsmith) and authors’ analysis on the subject matter. Written data sources include published and unpublished documents, bank product disclosure sheet, reports not limited to company reports, newspaper articles, magazines and others.

4.0 Discussion and Analysis

There are myriad methods of gold investment such as buy gold bars, invest in paper gold, buy shares of gold miners, gold unit trust funds or unit in exchange-traded funds (ETFs) that hold physical gold. In Malaysian market, investors have a few ways of gold investment, gold bars and coins, gold savings accounts and gold unit trust funds. The criteria of each type of investment vary, depending on the types and the seller. Investors are advised to choose the gold-based vehicle that best suited their expected return, needs, risk profile and portfolio. By analyzing the advantages and disadvantages of each method, this paper will benefit those who are interested in this type of investment.

4.1 Gold Bullion, Bars or Coins

The most traditional way in gold investment is by buying a physical gold, whether gold bar, bullion or coins. Gold coins, which have a lower gold content are more affordable due to its size rather than buying a gold bar or bullion. *Kijang Emas* Gold Bullion Coins is a Malaysia's own gold bullion coins that provide an alternative form of investment to the public. It has a purity of 99.99% fineness and sold by BNM through their trusted agent, Maybank. It is available in three different sizes, which is 1 oz, 1/2 oz, 1/4 oz and the design on the obverse of each coin depicts a barking deer (*kijang*) in its natural habitat in the Malaysian jungle. The *Kijang Emas* is priced at the daily gold market price and pegged to the international gold price to facilitate buying and selling transaction. The *Kijang Emas* can be purchased individually or as a set. Currently, BNM do not produce this coin anymore after the company that mint the coin, The Royal Mint of Malaysia, had defaulted. Whatever is available in the market for now are the leftover stocks and those sold by the existing owners. Since these coins are very limited and the trading is available only during the bank's office hours, it became a problem for those who are actively trading in the commodity.

Since gold became popular as an investment instrument, there are a growing number of gold bugs that mint their own gold coins or bars such as the Kelantan and Perak state government that produce and sell their own gold dinar. Perak's gold dinar was launched in February 2011, while Kelantan state government had earlier launched its gold dinar in September 2006. In the case of Kelantan gold dinar, even though the intention was to use gold dinar as a currency, this has actually attracted comments from many quarters since BNM had already highlighted the fact that the said gold dinar is not a legal tender in Malaysia. Realizing this issue, the Perak state government did not issue its gold dinar as alternative money but rather as excellent items for investing in precious metals or for the purpose of hedging inflation. With the global economic crisis and uncertainties, hyperinflation is predicted to set in and the prices of gold are expected to continue to high levels. This effort shows the awareness of the state government of the gold advantages as an investment instrument and as a protector of people's wealth.

Besides, Public Gold International Berhad (PGIB) or Public Gold was set up with the intention to buy and sell physical Public Gold bars and coins at international market gold price. PGIB operates a fully integrated physical gold exchange centre that includes a physical trading system and a platform developed by their in-house expert. It allows customers to receive live gold prices for 24 hours a day and to place buy-and-sell orders relating to physical gold trading procedures. The business can also be conducted with their bullion dealers via telephone. The gold is priced at the daily gold market rate and quoted daily and pegged to the international gold price to facilitate buying and selling. The gold can be purchased individually or as a set. Public Gold bullion and bars can be purchased at 10 grams, 20 grams, 50 grams, 100 grams, 250 grams and 500 grams, while Public Gold coins can be purchased at 50 grams. Public Gold is also selling gold dinar or Islamic currency based on gold that varies from 1 dinar, 5 dinar and 10 dinar.

Banks in Malaysia are also offering a wide range of physical gold products (bars and coins) that are available for investors, goldsmiths and coin collectors. A large variety of gold coins are made available for investments. These gold coins are available in different sizes, ranging from 1/20 oz to 100 grams. The gold coins can be bought or sold from or to the banks at their daily buy-sell market prices. Table 1 list the gold bars and coins that are available in Malaysian market with their main characteristics.

Table 1: List of Gold Bars and Coins in Malaysia

Name of Gold Bar/Coin	Issuer	Seller/Agent	Purity
Kijang Emas Coins	BNM	Maybank	99.99% (24 karat)
Dinar Kelantan	Kelantan State Government	Agent *(Wakalah)*	91.6% (22 karat)
Dinar Perak	Perak State Government	Agent *(Wakalah)*	99.99% (24 karat)
Public Gold Bars & Coins	Public Gold	Public Gold agents or dealers	99.99% (24 karat) and 91.6% (22 karat)
Canadian Gold Maple Leaf	Canada	UOB Bank, Tomei Goldsmith	99.99% (24 karat)
Australian Kangaroo Gold Nugget	Australia	UOB Bank, Tomei Goldsmith	99.99% (24 karat)
Swiss Kinebar, Swiss Pamp Gold-PAMP Suisse Lady Fortuna	Switzerland	UOB Bank, Al Rajhi Bank, Habib Jewels Goldsmith and other local goldsmiths	99.99% (24 karat)
Singapore Lion Gold Coin	Singapore	UOB Bank	99.99% (24 karat)

Name of Gold Bar/Coin	Issuer	Seller/Agent	Purity
Kuveyt Turk “Saglan Barkacilik”, Turkey	Istanbul Altin Rafinerisi, Turkey	KFH	99.50%
Bunga Raya Gold Bars	Poh Kong Goldsmith	Poh Kong Goldsmith	99.99% (24 karat)
Tomei Gold Bars	Tomei Goldsmith	Tomei Goldsmith	99.99% (24 karat)

Source: Authors’ analysis

4.2 Gold Savings Account or Paper Gold

Instead of investing in physical gold, banks in Malaysia are offering a gold savings account or paper gold to the public. Gold savings account is a secured and hassle-free investment, whereby investors can invest in gold without the inconvenience of storing and transferring the physical gold, or worry about the security of holding it. It is a statement-based gold investment account which allows the investors to buy and sell gold without the hassles associated with the transfer of actual physical gold. Thus, the investors save on storage, eliminate personal security issues and gain liquidity in terms of being able to sell their holdings to us anytime. This is a gold investment without the need to hold the actual physical gold. Currently, there are six banks that offer this type of gold investment. They are Maybank, Public Bank, CIMB Bank, Kuwait Finance House (KFH), Citibank and UOB Bank. This type of account is normally open for individuals with aged 18 years and above, while some banks allows for the minors as well.

One of the interesting characteristics of this investment is that it allows the investor to open a joint account with a maximum number of 4 persons in one account. The price of gold quoted daily will be pegged to the international gold price and will definitely be better than goldsmith shops without the usual workmanship charges. The recommended time for investors to buy would be when the price of gold is low. The returns on this account are subject to the world gold price fluctuations and this product is not insured by Malaysia Deposit Insurance Corporation (PIDM). This account provides an instant liquidity, where investors can cash in on their investments at any time during banking hours. Table 2 describes the criteria of gold savings account from the banks in Malaysia.

Table 2: List of Gold Saving and Investment Accounts in Malaysia

Bank	Account Name	Minimum Investment	Minimum Subsequent Purchase/ Sale	Minimum Balance in the Account	Gold Purity	Withdrawal Options	Price Spread	Eligibility
Maybank	Maybank Gold Investment Account (MGIA)	1 gram	In multiples of 1 gram	1 gram	999.9 fineness (24 karat)	Cash only, no physical gold	High	Individual / Joint Account
Public Bank	Gold Investment Account (GIA)	10 grams	5 grams and must be in multiple of 1 gram	2 grams	999.9 fineness (24 karat)	Cash & Physical	High	Individual / Joint Account
CIMB Bank	CIMB Bank Gold Deposit Account (GDA)	5 grams	5 grams and must be in multiple of 1 gram	5 grams	999.9 fineness (24 karat)	Cash & Physical	High	Individual / Joint Account
Kuwait Finance House (KFH)	KFH Gold Account-*i*	10 grams (individuals/ joint) & 50 grams (non-individuals)	In multiples of 1 gram	2 grams	995.0 fineness	Cash & Physical	High	Individual / Joint Account Non-individual Account
	KFH Junior Gold Account-i	5 grams	In multiples of 1 gram	2 grams	995.0 fineness	Cash & Physical	High	Customer below 18 years old requires a guardian to open the account.
UOB Bank	Gold Savings Account (GSA)	20 grams	5 grams	10 grams	999.9 fineness (24 karat)	Cash & Physical	Low RM2 per gram	Individual / Joint Account
	Premier Gold Account (PGA)	1 kilogram	1 kilogram	1 kilogram	999.9 fineness (24 karat)	Cash & Physical	Very low RM1 per gram	Individual / Joint Account

Bank	Account Name	Minimum Investment	Minimum Subsequent Purchase/ Sale	Minimum Balance in the Account	Gold Purity	Withdrawal Options	Price Spread	Eligibility
Citibank	Citibank Gold Account	-	-	-	999.9 fineness (24 karat)	Cash only, no physical gold	High	-
	Citibank Dual Currency Account (Gold)	-	-	-	999.9 fineness (24 karat)	Cash only, no physical gold	High	-
Standard Chartered Bank	Premium Currency Investment Gold	RM250,000 or RM50,000 (only for individuals with net personal assets exceeding RM3 million or non-individuals with net assets exceeding RM10 million)			999.9 fineness	Cash (USD) & physical	Based on exchange rate (USD & gold (XAU))	Individual / Non-individual Account

Source: Authors' analysis

There are a few benefits of gold investment by opening a gold investment account. Basically, this investment will provide an opportunity for greater capital gain from the appreciation in gold price. Besides the potential better returns, gold provides a great way to diversify investor's investment portfolio. An individual can start right away with an affordable initial purchase and subsequent investments. Gold savings account also serves the same functions of providing a good hedge against inflation by holding physical gold. Investments are well protected in which the account is fully backed by physical gold. The main reason for the investors to invest in gold investment by depositing in gold savings account is the affordability and convenience aspects that allow people to buy or sell gold and withdraw easily with their account at the bank's branches in Malaysia. Gold purchase or sale will be based on the bank's prevailing gold selling or buying price quoted in RM per gram and normally the mode of payments accepted are through cash and debiting or crediting of current or savings account maintained with the bank.

The price per gram at which each purchase will be made by investors shall be the selling price as quoted by the bank at the time of the placement of the purchase order. When investors purchase gold through the gold savings account, this is recorded into a statement or passbook. The bank actually keeps the gold in safe custody for the investors, and as such, interest is not paid. There are two main risks involved in this type of investment, which is pricing risk and market risk. In this case, gold buying or selling price quoted shall be determined by the bank at its sole and absolute discretion taking into account all factors it deems relevant including the prevailing world and local market price conditions for gold, the exchange rate between USD and RM and the gold purity. For the market risk, this investment will be exposed to market forces and volatility. Due to unforeseen market movements, investors may sustain substantial losses on the investment if market conditions move against the investors' favours.

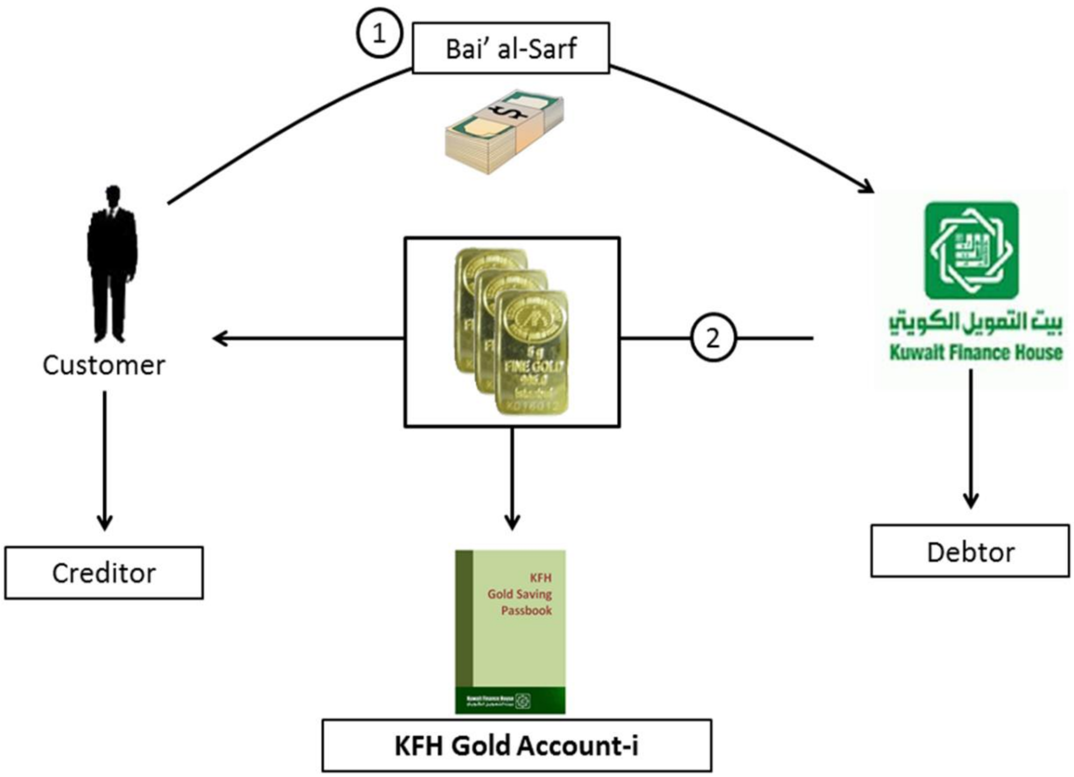
Maybank Gold Investment Account (MGIA) is the only gold savings account that allows investor to start their gold investment by buying only 1 gram of gold, while the others normally start with 5 grams or 10 grams. The MGIA is an account which allows customers to invest in 999.9 fine gold commodities at a daily price in RM without the hassle of keeping physical gold. Investments in MGIA are fully backed by physical gold deposited in PAMP S.A.. The returns on the investment are dependent on the gold price fluctuations. Transactions performed would be recorded in a passbook.

In the case of UOB Bank, this bank is offering two types of gold savings account, namely Premier Gold Account (PGA) and Gold Savings Account (GSA). Both accounts had similar characteristics, except for the minimum investment, whereby PGA needs a minimum investment of 1 kilogram of gold, while GSA only requires a minimum of 20 grams of gold. UOB gold savings account could be considered as the best gold savings account available in the market since the price spread is very low, RM2 per gram for GSA account and only RM1 per gram for PGA account. Although these products have yet to be approved as *Shariah*-compliant, it has no issue of *Shariah* since investors may convert their gold savings account to the physical gold. In this case, investors may convert the gold purchased under PGA and GSA to physical gold subject to the bank's approval. A nominal conversion fee will be charged for the conversion.

KFH Gold Account-*i* is the only *Shariah*-approved gold savings accounts in Malaysia that structured based on Islamic principle and allows customers to make a gold deposit in a convenient, secured and cheap way without having to keep the gold physically and can start from as low as 5 grams (for junior), 10 grams (for individual) and 50 grams of gold (for non-individual). This savings account applies the *Shariah* concept of *Bai' as-Sarf* and *Qardh al-Hassan*. *Bai' as-Sarf* refer to the exchange of one monetary form for another in the same or different form on a spot basis, where in this case it refers to the exchange of the money with gold. Under this contract, investor will buy the gold from KFH in gram at the selling price determined by KFH. Meanwhile, *Qardh* refers to benevolent 'loan' or interest-free 'loan' whereby KFH as the borrower is only required to return the commodity or principal borrowed. Under this contract, the gold bought by investor will be deposited into the gold account with KFH as the debtor *(Muqtaridh)* and the investor as the creditor *(Muqridh).* Figure 2 illustrates the transaction for KFH Gold Account-*i*.

With KFH Gold Account-*i*, investors can conveniently invest and trade in gold. This account allows investors to track and plan their investments wisely as trades are recorded in their account statement. It is different compared to the Maybank Gold Investment Account (MGIA), in which this KFH Gold Account-*i* is a non-passbook account. Like other gold savings account, besides enjoying the peace of mind purchasing gold without having to keep it in the physical form, investors in this account may withdraw the physical gold on the spot or have the bank retain the gold under *Qardh al-Hassan* concept. For the purpose of withdrawal, investors must deposit the account in a denomination of 1, 5, 10, 20, 50 or 100 grams. This is due to the availability of physical gold held by the bank. These criteria justify the reason why this savings account was approved as a *Shariah*-compliant product. There are also no charges imposed on the gold safekeeping and withdrawal. Unlike other type of gold savings accounts, KFH Gold Account-*i* also allows organisational investors to invest through the non-individual account. It is open for associations, societies, companies or other business entities that KFH Malaysia finds suitable or acceptable.

Figure 2: Transaction for KFH Gold Account-*i*



5.0 Prospects, Challenges and *Shariah* Issues

Today, some of the countries in the world such as China and India are encouraging their citizens to buy gold due to its characteristics of safe haven and inflationary hedge. For example, China government is promoting different gold funds, giving investors access to overseas products and launching a global gold contract based in Yuan through the Chinese Gold & Silver Exchange. This phenomenon urges Malaysians to do the same by keeping some percentage of their asset and wealth in gold. Government has to take the action by disseminating the ideas of keeping and storing individual's asset and wealth in gold. This requires Malaysian government to continue the production of *Kijang Emas* as a national gold coin and to make it available and accessible to people through most of the domestic banks. Government should also monitor the selling and buying activities of other types of gold bars and coins. This is very important for investors' protection in order to avoid the trading of fake gold in the market.

We propose that the Malaysian government to take a responsibility as a regulator to monitor the existence of gold investment instruments in the market. For paper gold instruments, BNM should be able to monitor the development since the product is considered as a banking product that fall under the BNM jurisdiction. In the case of physical gold, the gold trading activities is not under the purview of BNM and BNM does not issue any license to any company who wish to conduct such activities. However, if the gold trading investment scheme clearly offers investment opportunity by collecting deposits from the public and investors are promised investment returns or profits within a certain period of time whereby the original investment will be refunded, it may contravene section 25(1) Banking And Financial Institutions Act 1989 (BAFIA) especially if a company appeared to be involving in illegal deposit taking by using gold to camouflage its activities. Thus, a mechanism must be in place.

Buying physical gold is actually a challenging security issue as investors need to think about their gold storage. Based on the fact that most of the safety deposit boxes in Malaysian banks are currently hired, there is an urgent need for the banks to increase the availability of the safe deposit boxes facility. Although there are some private companies which provide this type of service, the Malaysian government should encourage the banks to provide this service for the customer's benefits. Otherwise, investing in physical gold would be very risky due to the security reasons.

Members of the public have to be more cautious and scrutinize the risk associated with the gold investment before joining any investment scheme which promise higher returns in short-term period. Investors are advised to check the background of the company and legality of its activities with the relevant authorities to ensure compliance of laws. For example, investors could check with authorities such as Companies Commission of Malaysia (CCM) with regard to the registration and company

business activity registered with CCM. Investors may also check the company's financial track record including its sustainability to pay return on investments. Investors may obtain such information from CCM and/or from the company itself. People are advised to check pertinent issues regarding gold operations of the company such as the source of the gold, the organization that had certified the purity and how the company generates profits from its operations. Investor may report to Ministry of Domestic Trade, Co-operative and Consumerism (KPDNKK) if investor has evidence regarding the poor quality of the gold bought by them as it is under the ministry's jurisdiction for any dispute on products quality.
The idea of creating a paper gold or gold savings account was a great one. Although there are only seven banks that offers this type of gold investment, the demand from investors should serve as motivating factor for all banks in Malaysia to offer the same product. BNM should really monitor the product, probably as a start, by setting the ceiling price spread as a guideline for banks. Most of the banks currently ask for a spread around RM5 to RM9 per gram, which could be considered as high. The only bank that offers attractive price spread is UOB Bank, where as mentioned is charging RM2 per gram price spread for their Gold Savings Account, and only RM1 per gram price spread for their Premier Gold Account. The *Shariah* issues for this type of gold investment product should be addressed as well. Out of the seven providing banks, only one bank are confirmed to having been approved as providing *Shariah*-compliant products, KFH Gold Account-*i* by Kuwait Finance House (KFH). It would be encouraging if the government through BNM set a requirement for the banks that offer gold savings account products to apply for the *shariah* compliance status. This is important to address the investors' concern on the permissibility of the products based on the Islamic law, besides avoiding the elements of *gharar* in the transaction. *Gharar* may exist when the investors cannot withdraw physical gold from their accounts, which raise the question on the status of the gold, whether or not it really exists in the bank's custody.
Fundamentally, when a customer intends to open a gold investment account, he is agreeing to buy gold, keep it and probably sell it when the price goes up. Depending on the prevailing situations, any type of such gold investment account can fall into a number *Hukm* (ruling), namely:

***Haram* and Void**: If the gold is not yet owned by the bank and will only be bought from a third party in another separate transaction. The opening of such investment account has become *Haram* and void, because the bank has sold something which is not in its rightful possession and a *Riba'* has occurred since there is no element of *'Taqabud fil Majlis'* i.e. offer and acceptance during the same event. Any such delay would bring to *Riba' an-Nasiah*.
Conclusion: Make sure the gold that is to be sold is in the bank's rightful possession.

***Haram* and Void**: If the gold is not delivered, upon request, to the customer immediately upon opening of the gold investment account. This happens, for example, when the customer pays a certain amount of money to buy gold for 100 grams and activates his account, but the bank did not issue anything to prove the customer's purchase and to prove that the sale has been concluded. In this situation, the bank has not given a written proof to signify that the customer now has the *'tasarruf'* rights (the rights to sell the gold, which has been purchased, at any point of time).

***Halal* and Valid**: When both conditions stated below are met:

a. The bank rightfully owns the gold at the point of sale.
b. The bank issues a proof of purchase, in the form of physical gold or certificate, to the customer and thus immediately gives the customer his *'tasarruf'* rights.

The certificate functions like a debit card or cheque, which represents money that exists. The issuance of the certificate, as a token to signify sales and account opening have been completed, is valid and *'harus'* (must) in the eyes of Islam. It is taken as the non-physical 'delivery' *(al-Qabdhu al-Ma'nawi)*.

It is necessary for the bank to clarify to their customers in regards to the status of their gold savings accounts, whether they are *shariah*-approved or not.

The study has found that only KFH-*i* is *shariah*-approved, as far gold investments accounts are concerned. The other two banks, Maybank and Citibank are found to be conventional-based and did not fulfil the approval requirement, and this may be due to the fact that investors in Maybank and Citibank cannot withdraw their gold savings account deposits in the physical form. The other four banks have a potential to be *shariah*-approved provided that they meet the following conditions, namely:

Not to be involved with *Riba'* activities: The gold must be in the real form (physical) which is in the custody of the bank, and kept on behalf of the customer. The gold cannot be 'utilized' for any of the bank's *ribawi* activities, and a guarantee or confirmation on the matter from the bank or the bank's *shariah* Committee must be obtained either expressed or written. A customer should be able to ascertain from the *'aqad* (contract) on the type of contract entered with the bank, such as whether it is a *wadiah*, *qard*, or etc..

Enough gold during transaction: The amount of gold in the bank's possession must be ascertained to be enough during a particular sales transaction period. For example, the bank has only 100 kilograms of gold at a particular point of time, but sells (with the opening of the gold investments account) to two different customers 100 kilograms of gold each. Based on this situation, only the first completed transaction is deemed as valid, while the second transaction is deemed as void.

***Halal* method of payment**: Payment made by customers must be either in cash, immediate account debiting, local bank's Islamic debit or credit card, or local cheque.

Any payment for such gold purchase using international cheques or Islamic credit card which takes more than three days for 'settlement' is prohibited according to the International Council of *Fiqh* Academy (ICFA). The three days is taken as the maximum accepted number of days for settlement, based on normal standard or *'urf*, to ensure the requirement under *'taqabul fil hal'* is achieved. It is a *fatwa* that has been obtained from the opinion of the *Malikis* and the majority of *Fiqh* scholars worldwide, including Syeikh Dr Abd Sattar Abu Ghuddah.

The gold investments account holder must be paying *Zakat*: Whenever the *hawl* is fulfilled or the obligatory *nisab* of 85 grams of gold is reached or exceeded, the account holder is obligated (*wajib*) to pay *zakat*.

The status for investing in Public Bank gold investments account has been a bit of an issue in terms of its uncertainty because it has not been properly mentioned by the bank whether the certificate or the proof of purchase issued will allow investors to withdraw their gold deposits as and when wanted by them.

A recent inquiry made to the bank on the said matter has disclosed that the certificate cannot be used to withdraw the bought physical gold. It is therefore in our opinion that this product is problematic from the viewpoint of *shariah* compliance. If the certificate being held by the investors cannot be 'transformed' into physical gold, it thus meddles in the process of *'taqabud al-hukmi'*, which is required in transactions involving *ribawi* items, and thus spoils the *'aqad* which in this case is between gold and Ringgit Malaysia. It is therefore being strongly suggested to anyone interested to start a gold investments account, to make a prior checking on the issues discussed above.

Besides, it would be great if there are a lot of gold unit trust funds in Malaysian market. This product may apply the concept of unit trust investment in the gold instruments. Gold unit trust funds are normally invested in gold derivatives such as gold futures and options, Gold ETFs, gold structured products and/or gold equities. Currently, there are two local unit trust funds in Malaysia, OSK-UOB Gold and General Fund and AmPrecious Metal that fall into Lipper's Equity Sector Gold and Precious Metal fund category. Both funds invest in companies that are involved in the production of gold, silver, platinum and other precious metals, with the latter being an Islamic fund. Unlike passively managed ETFs, actively managed funds are not correlated to the spot price of gold. This means that while the price of gold trends up, the fund may lose value. The historical performance of MIDAS Mutual Fund, which is based in the US, and the spot price of gold show an occasional negative correlation. This is because the fund invests in gold equities. Furthermore, the objective of an (actively managed) gold mutual fund is to give investors alpha (the excess return of the fund relative to the return made by its benchmark). MIDAS Mutual Fund is the largest gold-related fund in the US and invests at least 65% of its total assets in securities of companies primarily involved, directly or indirectly in the business of mining, processing, fabricating, distributing or dealing in precious metals or other natural resources.

Malaysian market should also consider the other gold instruments such as gold shares and Gold ETFs. These two types of gold investment are available in international market, but are yet to be offered in Malaysia. Gold shares refer to shares of companies that generate their incomes primarily from extracting and producing gold. In the US, there are over 300 listed gold mining companies with a global market capitalization of over US$220 billion. Like the shares of any company, gold shares are subject to the perils associated with investing in equities. With the great potential of some local companies such as Public Gold that currently dominates the production and trading of gold bars and coins in Malaysia, the idea of having this type of gold investment instrument in the local market should be provide a great momentum to the gold market and may attract investors who previously were only active in general stock market.

Finally, there are some potential to have Gold ETFs in the Malaysian market as the instrument aims to mimic the price of spot gold as closely as possible. In this instrument, when investors invest in a Gold ETF, the fund manager will use that fund to buy gold. The fund managers will constantly buy and sell the metal to ensure that the price of spot gold and ETF closely correlates and there are minimal arbitrage opportunities. Gold ETF is one of the best ways to get on the exposure and ride the appreciation of gold as the benefits of ETFs stack up against owning physical gold, namely low minimum investible amount, no storage fees or security concerns and the units being more liquid compared to the physical gold.

5.0 Conclusion

As a popular metal and investment instrument, gold is believed to be a stable way of hedging inflation, preserving wealth, storing intrinsic value, and generating high level of return. Instead of the traditional way of buying the physical gold, Malaysia offers investors a unique method of gold investment. Banks in Malaysia allow investors to open a gold investment account or "paper gold". In this account, account balance is measured in grams of gold rather than as a common currency. This allows investor to make deposits when gold prices are low, and then withdraw the funds at a profit when the price of gold rises. Investor can even withdraw their investment by receiving gold wafers instead of cash. This method of investment has a great potential to overcome the issues of security and storage. In light of the gold issue, we explored and discussed the challenges and prospects of gold investment by describing different ways of gold investment in Malaysia, weighing the pros and cons of each option. The *shariah* compliance issues have also been discussed due to the status of Malaysia as a country that practices a dual financial system, and a hub for Islamic finance in the world. Out of seven banks, only one bank offer *shariah*-approved gold savings accounts. We propose for BNM to impose a requirement of *shariah* screening on gold savings accounts offered by banks. Recent trend shows that Malaysians are increasingly turning to gold investment as one of the *shariah*-compliant mechanisms to protect wealth. This study thus shall benefit investors, especially Malaysians.

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