

Springer Proceedings in Business and Economics

John Fraedrich · Marina Pirtskalava ·  
Tornike Khoshtaria ·  
Hasan Terzi · Mehmet Bayirli ·  
Baker Al Serhan *Editors*

# Contemporary Business Research in the Islamic World

Proceedings of the 14th Global Islamic  
Marketing Conference, September

 Springer

# **Springer Proceedings in Business and Economics**

Springer Proceedings in Business and Economics brings the most current research presented at conferences and workshops to a global readership. The series features volumes (in electronic and print formats) of selected contributions from conferences in all areas of economics, business, management, and finance. In addition to an overall evaluation by the publisher of the topical interest, scientific quality, and timeliness of each volume, each contribution is refereed to standards comparable to those of leading journals, resulting in authoritative contributions to the respective fields. Springer's production and distribution infrastructure ensures rapid publication and wide circulation of the latest developments in the most compelling and promising areas of research today.

The editorial development of volumes may be managed using Springer Nature's innovative EquinOCS, a proven online conference proceedings submission, management and review system. This system is designed to ensure an efficient timeline for your publication, making Springer Proceedings in Business and Economics the premier series to publish your workshop or conference volume.

**This book series is indexed in SCOPUS.**

John Fraedrich · Marina Pirtskalava ·  
Tornike Khoshtaria · Hasan Terzi ·  
Mehmet Bayirli · Baker Al Serhan  
Editors

# Contemporary Business Research in the Islamic World

Proceedings of the 14th Global Islamic  
Marketing Conference, September

 Springer

*Editors*

John Fraedrich  
College of Business and Analytics  
Southern Illinois University Carbondale  
Carbondale, IL, USA

Tornike Khoshtaria  
University Geomedi  
Tbilisi, Georgia

Mehmet Bayirli  
Alanya Alaaddin Keykubat University  
Alanya, Türkiye

Marina Pirtskalava  
University Geomedi  
Tbilisi, Georgia

Hasan Terzi  
Karabük University  
Karabük, Türkiye

Baker Al Serhan   
King Talal School of Business Technology  
Princess Sumaya University for Technology  
Amman, Jordan

ISSN 2198-7246

ISSN 2198-7254 (electronic)

Springer Proceedings in Business and Economics

ISBN 978-981-97-5399-4

ISBN 978-981-97-5400-7 (eBook)

<https://doi.org/10.1007/978-981-97-5400-7>

© The Editor(s) (if applicable) and The Author(s), under exclusive license to Springer Nature Singapore Pte Ltd. 2024

This work is subject to copyright. All rights are solely and exclusively licensed by the Publisher, whether the whole or part of the material is concerned, specifically the rights of translation, reprinting, reuse of illustrations, recitation, broadcasting, reproduction on microfilms or in any other physical way, and transmission or information storage and retrieval, electronic adaptation, computer software, or by similar or dissimilar methodology now known or hereafter developed.

The use of general descriptive names, registered names, trademarks, service marks, etc. in this publication does not imply, even in the absence of a specific statement, that such names are exempt from the relevant protective laws and regulations and therefore free for general use.

The publisher, the authors and the editors are safe to assume that the advice and information in this book are believed to be true and accurate at the date of publication. Neither the publisher nor the authors or the editors give a warranty, expressed or implied, with respect to the material contained herein or for any errors or omissions that may have been made. The publisher remains neutral with regard to jurisdictional claims in published maps and institutional affiliations.

This Springer imprint is published by the registered company Springer Nature Singapore Pte Ltd.

The registered company address is: 152 Beach Road, #21-01/04 Gateway East, Singapore 189721, Singapore

If disposing of this product, please recycle the paper.

# Contents

<b>Neurotransmitters and the Ramifications for Islamic Researchers</b> .....	1
John Fraedrich	
<b>Investigating the Factors Affecting Muslim Consumers’ Attitude Towards Adopting Cryptocurrency: Does Religiosity Matter?</b> .....	7
Youssef Chetoui, Hind Lebdaoui, and Soukaina Kanzi Balghiti	
<b>The Effects of Perceived Price, Quality, and Consumer Trust on Purchase Intentions of Halal Products</b> .....	27
Bekir Ozkan, Ibrahim Halil Efendioglu, Tamer Baran, and Fatih Koc	
<b>The Souls of Man: Marketing and the Welfare of Man</b> .....	45
P. Sergius Koku, Pierre Celestin Mubarak Bimenyimana, and Charmant Ndereyimana Sengabira	
<b>Are Halal Hotels Green? An Exploratory Study from Malaysia</b> .....	65
Ghazala Khan, Faiza Khan, and Sa’adiyah Munir	
<b>Factors Influencing Customers’ Behavioral Intention in Online Banking: Second Order PLS-SEM</b> .....	83
Abdelouahid Kouchih and Doha Lyoussi	
<b>Digitalization of Halal Food Supply Chain Management Based on Blockchain Technology</b> .....	103
Mohd Heikal, Abdul Rachman, Muizzudin, and Falahuddin	
<b>Faith-Centric Consumerism?—Halal Brand Attitude and Research Agenda</b> .....	123
Fitriani Tobing, Muhammad Dharma Tuah Putra Nasution, Dwita Sakuntala, Muhammad Rizal, Hery Syahrial, and Ahmad Rafiki	
<b>Exploring Customer Loyalty in Islamic Traditional Markets: Insights from Relationship Marketing and Experiential Marketing Theories</b> .....	141
Mariam Mekkaoui Alaoui and Laila Ouhna	

<b>The Factors Influencing Brand Love: Evidence from Moroccan Football</b> .....	165
Mohammed Hassouni, Lamiae El Amrani, and Maha Bendahmane	
<b>Glass Ceiling Influence on the UAE Women’s Professional Development: A Crystalized Exposition</b> .....	185
Rajasekhara Mouly Potluri, Raghuvveer Katragadda, and Hari Babu Bathini	
<b>Impact of Sustainability Mediated by Corporate Governance in Extra Large Size Microfinance Institutions of Bangladesh</b> .....	205
Md. Nazim Uddin, A. K. M. Ahasanul Haque, Md. Nuruzzaman, and Lutfun Nahar	
<b>The Role of Educational Research in Sustainable Development. The Reality of Sustainable Education in the Arab World and Future Perceptions</b> .....	227
Hanan Arnous	
<b>Impact of Advertising on the Buying Behavior of Gen Z Indian Muslim Consumers</b> .....	241
Rajasekhara Mouly Potluri, Afreen Mohammad, and Kareemunnisa Mohammad	
<b>Husband’s Rights on the Working Wife’s Income (An Economic Study in Islam)</b> .....	257
Jihad Hasan Salama and Muhammad Karrat	
<b>Investigating the Key Drivers of Islamic Insurance in Morocco: A Structural Equation Modeling Analysis</b> .....	277
Hind Lebdaoui, Youssef Chetioui, Houssam Quanbouli, Mariam Ouchen, and Ikram Nait-Ajjou	
<b>From Taghrīr to Trust: A Comparative Study of Misrepresentation Challenges in Online Sales Contracts Within Islamic Law and the Jordanian Legal Framework</b> .....	297
Fatima Kassāb Ḥmoud Al-Khālīdī	
<b>Exploring the Influence of E-Trust on Virtual Organizations’ Success Through Knowledge Sharing</b> .....	323
Mohammed M. Al-Kasasbeh, Zaid A. Al Sarayrah, and Ahmad M. Al-Kasasbeh	
<b>Consumer Empowerment and Privacy: The Case of Morocco</b> .....	345
Abdelouahid Kouchih and Hanane Mataa	
<b>The Challenges and Opportunities of COVID-19 for Islamic Microfinance Institutions in Bangladesh</b> .....	365
Md Nazim Uddin, Ahasanul Haque, and Zohurul Anis	

***Tabayyun* Measures for Self-regulating Social Media Behaviour  
Among Muslim Consumers . . . . . 385**  
Siti Haslina Md. Harizan and Shaik Abdullah Hassan Mydin

**AI-Driven Chatbots in Halal Marketing  
Communication—Challenges and Opportunities . . . . . 403**  
Muhammad Dharma Tuah Putra Nasution, Desi Astuti, Sri Rahayu,  
Yossie Rossanty, Ramadhan Harahap, and Ahmad Rafiki



# About the Editors

**John Fraedrich** the Jannetides Professor of Business Ethics at Southern Illinois University, received his Bachelor's Degree in Management from Brigham Young University and his Masters of Science and Ph.D. in Marketing from Texas A&M University at College Station. His research began with one of the first empirically based business ethics dissertations and was the nexus for the book, *Business Ethics: Ethical Decision Making and Cases* (13th edition) 2022. He has presented, written, and/or published over fifty (50) pieces specifically related to the topic. From a global level Dr. Fraedrich has been on numerous panels concerning values, ethics, and business. Participants have included ambassadors, economic ministers, and Presidents of Fortune 100 firms. Politically he was invited by FEDERASUL, an elite business organization in Brazil, to discuss business ethics and values with one of Brazil's Supreme Court Justices as well as a former Ambassador. In 2006 Dr. Fraedrich was asked by the Bill Daniels Foundation to become their Bill Daniels Distinguished Professor of Business Ethics at the University of Wyoming, College of Business. There, he developed and implemented a state wide program of ethics integration into business and non-business educational programs. Part of the Bill Daniels \$1.2 billion fund is used for ethics awareness within business.

**Marina Pirtskalava** started her career in 1971 at the Scientific Research Institute of Experimental and Clinical Therapy. In 1974 she became a Ph.D. Candidate in Biological Sciences; in 1990, she successfully defended her doctoral dissertation and was awarded the "Doctor of Biological Sciences" degree in Kyiv. Since 1994, she has been a real member of the Academy of Preventive Medicine and Human Ecology. She is actively involved in the pedagogical and scientific-research work at the institute. Prof. Marina Pirtskalava developed some innovative teaching methods. Among them were test-based examinations. Her research interests entail preventive medicine, human ecology, health care management etc. She is the author of more than 120 scientific works and of 4 monographs. Professor Marina Pirtskalava has often been awarded for her scientific and pedagogical work. She is also involved in international scientific activities and participates in many conferences/symposia.

**Tornike Khoshtaria** is an associate professor of Marketing at the University Geomedi. He received a Master's degree in international marketing from Cardiff Metropolitan University School of Management and his Ph.D. in business administration from Tbilisi State University. His research interests include university branding, web and showrooming, customer purchase intentions, university brand equity, green applications and consumer purchase intention. Prof. Khoshtaria has several scientific publications in impact factor journals. Additionally, he is the author of two textbooks and two monographs.

**Hasan Terzi** is an Assistant Professor in Marketing at Karabuk University in Turkey. This book is his Third with Springer, including two proceedings from the pioneering Global Islamic Marketing Conference. He worked at Qatar University in 2015–2016 for one year as a researcher under a fellowship program granted by TÜBİTAK (The Scientific and Technological Research Council of Turkey). His studies address postmodernism, consumer culture, and socio-cultural dimensions of consumption, especially the role of religion in consumer behaviour.

**Mehmet Bayirli** is an Assistant Professor in International Trade and Business Department at Alanya Alaaddin Keykubat University in Turkey. This book is his third with Springer, including two proceedings from the pioneering Global Islamic Marketing Conference. He received his master's degree in International Trade and Business at Göteborg University, and he obtained his Ph.D. in Tourism Management at Akdeniz University. His research areas are international marketing, export marketing, brand valuation, and Islamic marketing.

**Baker Al Serhan** is a Professor in Business Administration at Princess Sumaya University for Technology in Amman, Jordan. This book is his fourth with Springer, including Strategic Islamic Marketing and three proceedings from the pioneering Global Islamic Marketing Conference. Dr. Alserhan is the founder of the discipline of Islamic Marketing and authored the seminal book in the discipline: *The Principles of Islamic Marketing*. He is also the President of the International Islamic Marketing Association (IIMA) and Chair of the Annual Global Islamic Marketing Conference (GIMAC) and the Annual Halal Pharma Forum. He founded two academic journals for Emerald (*Journal of Islamic Marketing*) and 'Inderscience' (*Journal of Islamic Marketing and Branding*), and three in Arabic on the same topic. Dr. Alserhan is a prolific, published researcher of peer-reviewed scientific papers, public speaker, and consultant with research interests in Islamic Marketing and Branding, Islamic Hospitality, Islamic Lifestyles, and Islamic business studies.

# Neurotransmitters and the Ramifications for Islamic Researchers



**John Fraedrich**

**Abstract** Neuromarketing research began in earnest when the Advertising Research Foundation (ARF) started to explore the field in 2010 to determine the value of its methods for improving advertisement testing. Their conclusions dramatically increased the field. Today, it is a part of mainstream consumer research. One facet of the field is the neurotransmission of chemicals that stimulate the brain and significantly change mood, perception, intention, and behavior.

## The Neurotransmitter Nexus: Unraveling the Physiological and Psychological Influences on Consumer Behavior

There are nine important neurotransmitters (NTs) that are significant to the physiology and psychological effects within consumer behavior. The first is dopamine which regulates reward motivation and movement. There is a general consensus that dopamine increases the pleasantness or unpleasantness of the stimulus (Dayan, 2009; Melis et al., 2005). In other words, the more pleasurable the reward is, the higher the dopamine. Simply put, dopamine rewards individuals for pleasurable experiences motivating them to seek those stimuli, while the absence of the expected reward triggers a negative physiologic response, thereby decreasing the release of dopamine and discouraging the individuals from pursuing those stimuli. Marketers take advantage of this by pairing desirable behaviors with the increase of the chemical.

The second, serotonin is associated with different behavioral processes including mood, perception, reward, anger, aggression, appetite, memory, sexuality, and attention. Research suggests it regulates state- and context-dependent aspects of human decision making (Crockett & Fehr, 2013). Low levels of serotonin promote choice deferral, a mechanism that potentially underlies a previous finding that older

---

This chapter is a keynote lecture presented at the conference.

---

J. Fraedrich (✉)

College of Business and Analytics, Southern Illinois University, Carbondale, IL, USA  
e-mail: [fraedric@siu.edu](mailto:fraedric@siu.edu)

consumers defer more often than younger adults (Chen et al., 2011). Based on present research, marketing practitioners could consider adopting strategies that are known to enhance serotonin levels for increasing sales. Marketing strategies that systematically incorporate the compromise effect with the intent to promote the choice of an intermediate compromise option might be less effective when the target population's serotonin levels are lowered (Lichters et al., 2016).

Oxytocin is associated with different social behaviors, such as social memory, attachment, sexual behavior, maternal behavior, aggression, pair bonding, and trust and is sometimes referred to as the "love hormone" because levels of oxytocin increase during hugging and orgasm and is the third chemical researchers have identified with consumer mood and behavior (Schneiderman et al., 2012). Glutamate is the fourth and is a common NT in the brain that is excitatory in nature. It plays an important role in various physiological processes like learning and memory, plasticity, and neuronal cell death. However, if one blocks glutamate transmission in brain regions, it will affect a consumer's perception of reward relative to certain products. GABA, the fifth, is chemically distinct from others like serotonin and dopamine but is similar to glutamate. It provides a stable and balanced emotional environment for the brain under normal conditions (Jeon et al., 2003). Because of its inhibitory function, GABA plays an important role in anxiety, pain, fear, or stress. GABA inhibits neurons which promotes a feeling of calm and relaxation. The main role of GABA in behavioral processes is that it regulates alcohol seeking, food intake, and stress response.

The sixth is acetylcholine which is the chief NT for the autonomic nervous system that contracts smooth muscles, dilates blood vessels, increases bodily secretions, and slows heart rate and plays a role in attention and arousal (Fröhlich, 2010). Acetylcholine receptors have gained attention in the last several years as mediators of alcohol-related behaviors (Kamens et al., 2017). Norepinephrine is an NT that regulates arousal and stress responses. It balances vigilance/scanning behavior with focused attention on novel environmental stimuli, arousal, and helps balance anxiety and depressive disorders. Along with dopamine, it has been recognized as playing a large role in attention and focus. Histaminergic neurons are involved in many brain functions such as arousal, control of pituitary hormone secretion, suppression, and cognitive functions (Nuutinen, 2010). Its role is to regulate food and water intake, thermoregulation, hormone release, and sleep. Elevated histamine levels can interfere with sleep that contributes to insomnia. Low histamine levels may affect digestion, appetite control, learning, memory, and mood, and may result in drowsiness (Bear et al., 2015). Finally, there is hypocretin which is thought to have an important role in the regulation of sleep and arousal states, vigilance, attention, learning, and memory and acts primarily as excitatory neurotransmitters (Horvath & Peyron, 1999; Sutcliffe, 2000). Apart from their primary role in the control of sleep and arousal, it has also been implicated in multiple functions such as eating, energy regulation, neuroendocrine regulation, gastrointestinal and cardiovascular system control, the regulation of water balance, and the modulation of pain (Ebrahim, 2002).

## **Decoding Neurotransmitters: Shaping Consumer Behavior and Marketing Strategy**

Now that I've sensitized you about what these chemicals can do to the consumer, the next issue is how marketers can apply them to the five Ps. For researchers, by knowing which NTs do what to consumers they can and are studying reward pathways to gain insight into the nature of price information. For example, is the price of products a purely rational piece of information, or does it have emotional and/or reward-based connotations? (Lee et al., 2007). NTs are useful particularly during early product design or before airing a promotional campaign. It is possible and probable for marketers to create a very addictive product such that almost all but the most ascetic individuals would find it irresistible. Or, after understanding how an NT can be manipulated, a perfect promotional campaign could be launched where various neuro-imaging techniques would determine where in the advertisement NT activity increases or decreases. The before and after activity could be measured against these responses, which could then be used to select the final cut for release (Berns, 2010). Another implication could be regarding celebrity endorsements. Marketers have long believed that celebrity endorsements help sell products; however, until now, no one could pinpoint how the auditory and visual stimuli associated with celebrities contributed to this phenomenon (Fugate, 2007). Today, we know that dopamine levels spike when images or auditory cues are introduced from positive celebrities.

Finally, we know that serotonin brain levels influence people to avoid buying and consumers' preference for product options positioned as a compromise in each choice set rather than for more extreme alternatives (Lichters et al., 2016). The applications for research are endless either in the form of observation of the brain and the different NTs effects as related to interest, awareness, desire, or compulsion. Market applications are also extensive and relate to advertising and product ingredient additions and/or deletions or the creation of new products.

## **Islamic Marketers in the Neurochemical Era: Navigating Ethical Challenges and Fiduciary Responsibilities**

Finally, what are the unique challenges to Islamic marketers with this type of research and its implications? To clarify, I am not speaking about non-Muslim researchers studying Islamic market segments, rather Muslims in business and research and their fiduciary and moral obligations. And because you are listening (reading) to this presentation, you no longer have the excuse of ignorance. Within the traditions of Islam, ["O you who believe! Intoxicants and games of chance and idols and divining arrows are but defilement from the work of Satan, so avoid it that you may be successful. (Al-Quran 5:90)"], comes the spiritual duty to avoid substances that can be addictive or habitual that hinder man's agency to GOD. NT research explains

how the brain functions relative to the introduction, increase, or decrease of the nine NT types mentioned. True, the research can help medicine treat various problems. But, within marketing, the goal is at best to increase the effectiveness and efficiency of the value exchange.

The dark side of this research is we are able to reduce the agency of consumers to suit our goals first and the consumers second. To be clear, the NT manipulations do not necessarily force consumers into unwanted or addictive products or behaviors. But it is part of what cancer researchers and what I have defined as the three-hit theory. In cancer research, the probability of contracting cancer increases exponentially relative to three factors: Genetics, the environment, and behavior. For example, if a person is genetically predisposed to cancer, it becomes a significant hit. The second hit, environment, or where one lives can also escalate the probability of contracting cancer. Finally, what the person does can increase the cancer probability. So, if a person has a family history of lung cancer, smokes two packs a day, and works in a coal mine, he/she has an overwhelming probability of contracting cancer.

The same theory applies to neuromarketing's research, and the products associated with it. Even now firms are using GMOs or genetically modified organisms that in the future could dramatically increase these NTs. As Islamic marketers, one must make consumers and businesses aware of the potential harm, as defined in the Qur'an, that such products could have on the agency to choose non-addictive or behaviorally altering products or be chemically changed from a promotional perspective to increase awareness, interest, desire, and even purchase. We already know we manipulate consumers, but now we can do it at the cellular level. The question to you is whether your actions significantly alter decisions that go against the spirit of Islamic principles.

## References

- Bear, M.F., Connors, B.W., & Paradiso, M.A. (2015) *Neuroscience: Exploring the brain*, Kluwer Pub
- Berns, D. A. (2010). Neuromarketing: The hope and hype of neuroimaging in business. *Nature Reviews Neuroscience*, 12, 284–292.
- Chen, Y., Ma, X., & Pethtel, O. (2011). Age differences in trade-off decisions: Older adults prefer choice deferral. *Psychology and aging*, 26(2), 269–73.
- Crockett, M.J., & Fehr, E. (2013). Chapter. pharmacology of economic and social decision making. In *Neuroeconomics: Decision making and the brain* (2nd edn, pp. 259–279). Elsevier Inc.
- Dayan, P. (2009). Dopamine, reinforcement learning, and addiction. *Pharmacopsychiatry*, 42, S56–65.
- Ebrahim, R. S. (2002). The hypocretin/orexin system. *Journal of the Royal Society of Medicine*, 21, 227–230.
- Fröhlich, E. (2010). The neuron: The basis for processing and propagation of information in the nervous system. *NeuroQuantology*, 341, 403–415.
- Fugate, D. L. (2007). Neuromarketing: A layman's look at neuroscience and its potential application to marketing practice. *Journal of Consumer Marketing*, 24, 385–394.
- Horvath, T. L., & Peyron, C. (1999). Hypocretin (orexin) activation and synaptic innervation of the locus coeruleus noradrenergic system. *Journal of Comparative Neurology*, 415, 145–159.

- Jeon, S. G., Bahn, J. H., Sik, J. J., Park, J., Kwon, O.-S., Cho, S.-W., & Choi, S. Y. (2003). Human brain GABA transaminase: Tissue distribution and molecular expression. *European Journal of Biochemistry*. <https://doi.org/10.1046/j.pp.1432-1327>
- Kamens H. M., Peck C., Garrity C., Gechlik A., Jenkins B. C., Rajan A. (2017).  $\alpha\beta 2$  nicotinic acetylcholine receptors influence locomotor activity and ethanol consumption. *Alcohol*, *61*, 43–49. <https://doi.org/10.1016/j.alcohol.2017.02.178>
- Lee, N., Broderick, A. J., & Chamberlain, L. (2007). What is “neuromarketing”? A discussion and agenda for future research. *International Journal of Psychophysiology*, *63*(2), 199–204.
- Lichters, M., Brunnlieb, C., & Vogt, B. (2016). The influence of serotonin deficiency on choice deferral and the compromise effect. *Journal of Marketing Research*, *53*(2), 214.
- Melis, M., Saturnino, S., & Marco, D. (2005). The dopamine hypothesis of drug addiction: Hypodopaminergic state. *International Revue Neurobiology*, *63*, 101–154.
- Nuutinen, S. P. P. (2010). Histamine in neurotransmission and brain diseases.
- Schneiderman, I., Zagoory-Sharon, O., Leckman, J. F., & Feldman, R. (2012). Oxytocin during the initial stages of romantic attachment: Relations to couples’ interactive reciprocity. *Psychoneuroendocrinology*, *37*(8), 1277–1285.
- Sutcliffe, J. G. (2000). The hypocretins: Excitatory neuromodulatory peptides for multiple homeostatic systems, including sleep and feeding. *Journal of Neuroscience*, *24*(1), 161–168.

**John Fraedrich** Jannetides Professor of Business Ethics at Southern Illinois University, holds a Bachelor’s Degree in Management from Brigham Young University and a Masters of Science and PhD in Marketing from Texas A&M University. His pioneering research in business ethics resulted in the book, “Business Ethics: Ethical Decision Making and Cases” (14 th edition) in 2025. With over fifty pieces on the topic, Fraedrich has presented globally, addressing values, ethics, and business on panels with U.S. Army Generals, Ambassadors, Economic Ministers, and Fortune 100 Presidents. As the Bill Daniels Distinguished Professor of Business Ethics at the University of Wyoming, he developed a state-wide ethics integration program. Presently, he teaches graduate and undergraduate courses, applying experiences from his work with USAID/DOD on economic development.

# Investigating the Factors Affecting Muslim Consumers' Attitude Towards Adopting Cryptocurrency: Does Religiosity Matter?



Youssef Chetioui, Hind Lebdaoui, and Soukaina Kanzi Balghiti

**Abstract** The current research aims to investigate the key factors influencing the acceptance of cryptocurrency among potential investors in Morocco. To achieve this objective, we propose and test an integrated framework combining factors from the technology acceptance model (TAM), the theory of planned behavior (TPB), and the perceived risk theory. Data was gathered through a self-administered questionnaire distributed from 212 Moroccan respondents, representing diverse demographics in terms of gender, age, educational backgrounds, and income levels, and analyzed using the partial least square (PLS) estimation. Our findings indicate that the respondents' attitude toward cryptocurrency significantly and positively influences their intention to invest in it. Alongside, attitude toward cryptocurrency is predominantly shaped by digital literacy, perceived usefulness, and trust. Investors' trust in cryptocurrency was also positively influenced by the perceived regulatory support. Still, Islamic religiosity had no impact moderating impact in the relationship between attitude and the intention to invest in cryptocurrency. Our results suggest valuable insights for both investors and financial policymakers.

## Introduction

The advent of cryptocurrency in 2009 marked the introduction of a groundbreaking digital currency that facilitates asset exchange through online platforms (Conti et al., 2018). Its applications extend to both speculative and hedging purposes (Ayedh et al., 2020). Diverging from traditional fiat currencies regulated by global monetary authorities, cryptocurrency allows for direct electronic transactions, circumventing the need for financial intermediaries such as banks (Meera, 2018). The inaugural emergence of cryptocurrency occurred in 2008 under the pseudonym "Satoshi Nakamoto," with Bitcoin being the first unregulated digital currency, notable for its heightened security measures (Meera, 2018). Presently, the online trading landscape features over

---

Y. Chetioui (✉) · H. Lebdaoui · S. K. Balghiti  
School of Business Administration, Al Akhawayn University in Ifrane, Ifrane, Morocco  
e-mail: [Y.Chetioui@aui.ma](mailto:Y.Chetioui@aui.ma)

© The Author(s), under exclusive license to Springer Nature Singapore Pte Ltd. 2024  
J. Fraedrich et al. (eds.), *Contemporary Business Research in the Islamic World*,  
Springer Proceedings in Business and Economics,  
[https://doi.org/10.1007/978-981-97-5400-7\\_2](https://doi.org/10.1007/978-981-97-5400-7_2)



100 active cryptocurrencies, including prominent names such as Bitcoin, Litecoin, and Ethereum. However, these digital currencies have acquired a reputation for their intrinsic volatility since their inception in 2009 (Ayedh et al., 2020).

The emergence of this new payment method has exerted a profound influence on the global economic landscape (Shahzad et al., 2018). While certain nations have embraced cryptocurrency, recognizing it as a legitimate currency in the business domain, others remain hesitant to acknowledge it as a regulated medium of economic exchange (Náñez Alonso et al., 2021). Investors' interest in Morocco resulted in implementation of considerable economic reforms during the past few years (Farooq & Chetioui, 2012). The government has not yet granted approval for usage of cryptocurrency usage (Bziker, 2021). The introduction of cryptocurrency in Morocco introduces a novel phenomenon, presenting a substantial challenge for the government in defining a clear stance and implementing legal regulations to govern this innovative financial technology. The primary objective is to cultivate trust and strike a balance of support and interests between users and stakeholders (Bolotaeva et al., 2019). It is imperative to note that Moroccan authorities face limitations in preventing individuals from utilizing cryptocurrency, given its accessibility through the Internet and smartphones (Antonopoulos, 2018).

In light of these considerations, the investigation into the willingness to adopt cryptocurrency within the Moroccan context emerges as a critical undertaking, holding implications at both economic and social levels. This research seeks to evaluate the attitudes of the Moroccan population toward the adoption of cryptocurrency. The significance of this study is heightened by Morocco's status as an emerging market, actively engaging with international economies where the trading of cryptocurrencies is officially recognized and accepted by governments. The research endeavors to bridge existing gaps by scrutinizing the factors that could impact the inclination of Moroccan investors toward the adoption of cryptocurrency. To fulfill this objective, we will address the following research question (RQ):

***RQ: What Are the Key Factors Influencing Moroccan Investors' Attitude and Adoption of Cryptocurrency?***

The outcomes of this research bear substantial implications for both academic and financial institutions. Drawing from survey responses collected from 212 Moroccan individuals, the study reveals that digital literacy, perceived ease of use, trust, and attitude exert a positive influence on the intention of Moroccan investors to adopt cryptocurrency. Notably, factors such as education do not play a significant role in shaping cryptocurrency adoption. Despite the Moroccan government's imposition of a ban on cryptocurrency as a commercial transactional tool, this study delves into the current situation and the motivating factors driving cryptocurrency adoption within the population. The impetus for this article arises from the limited body of studies and research specifically addressing this subject within the country.

The paper initiates with a comprehensive review of existing literature to gain a broader understanding of the factors influencing the behavior and attitude of Moroccans over time. The subsequent sections, focusing on analyzing survey findings

and engaging in a concise discussion, aim to contrast the results with the existing literature. Finally, the practical implications of the findings are presented.

## Literature Review

### *Theoretical Foundation*

Cryptocurrency has garnered substantial adoption in various countries, yet it remains prohibited by the Moroccan government, notwithstanding its growing popularity among the Moroccan populace (Bziker, 2021). The prevailing sentiment on cryptocurrency use in Morocco remains ambiguous (Ayedh et al., 2020). To scrutinize the Moroccan population's stance on cryptocurrency usage, this study employed diverse models, including the technology acceptance model (TAM), the theory of planned behavior (TPB), and the perceived risk theory (PRT).

TAM serves as a valuable instrument for comprehending the acceptance of technological devices and tools by the population (Agustina, 2019). This model underscores practical effectiveness and utility in justifying individuals' attitudes (Namahoot & Rattanawiboonsom, 2022). Generally, individuals are predisposed to select or embrace a service based on their perception of its usefulness and ease of use (Ryu, 2018). TAM is a dynamic model that aids in understanding human behavior concerning potential rejection or acceptance of technology (Marangunić & Granić, 2015), primarily grounded in two pivotal determinants: usefulness and ease of use (Lu et al., 2003). Multiple empirical studies have illustrated a positive correlation between attitude, usefulness, and ease of use (Akturan & Tezcan, 2012).

The theory of planned behavior elucidates the attitude toward adopting cryptocurrency as a transactional tool (Chen & Yang, 2019). TPB furnishes a conceptual framework for predicting social behavior within communities (Hasbullah & Ithnin, 2014). This theory concentrates on the motivation behind adopting a specific behavior and the corresponding intention and ability to execute it (Rotter, 1966). TPB has been extensively employed in governmental studies investigating technology adoption (Hung et al., 2006a, 2006b). According to TPB, an individual's behavior is primarily influenced by subjective norms and attitudes (Schaupp & Festa, 2018).

The third theory that complements the proposed conceptual model is the perceived risk theory. PRT is characterized by a dual-dimensional structure: uncertainty and adverse consequences (Dowling, 1986). Uncertainty encompasses financial, social, and psychological probabilistic beliefs (Goodwin, 2000). Adverse consequences refer to the significance of potential losses that may be incurred (Jensen et al., 2020). Thus, the financial risk theory accentuates an individual's attitude toward the uncertainty of outcomes, motivating them to seek information about the concept before embracing it (Alsahliy & Husin, 2021). Other variables incorporated into the conceptual model were drawn from existing literature to complement the proposed theories,

particularly the influence of perceived risk on attitude toward using cryptocurrency, identified as a substantial determinant of consumers' trust in cryptocurrency.

## *Hypotheses Development*

Financial literacy refers to an individual's capacity to proficiently manage financial investments and make well-informed decisions based on sound financial knowledge (Noctor et al., 1992). It encompasses the knowledge of financial skills that empower individuals to engage in rational financial planning (Zhao & Zhang, 2021). A study by Fujiki (2020) provides evidence of a positive relationship between financial literacy and cryptocurrency investment, indicating that individuals with financial investment knowledge are more likely to invest in cryptocurrencies. Traditionally, the association between financial literacy and attitudes toward cryptocurrency is examined through two primary dimensions: objective financial knowledge and subjective financial knowledge (Zhao & Zhang, 2021). Objective financial knowledge is assessed by evaluating individuals' understanding of various aspects of financial markets and products, such as assets, debts, savings, and investments. Those who possess this knowledge are more inclined to invest in cryptocurrencies due to their ability to assess risks (Leskinen & Raijas, 2006). According to Zhao and Zhang (2021), this type of knowledge is positively associated with financial behavior related to cryptocurrency investment decisions. Drawing on the discussion above, the following hypothesis is suggested:

### **H1: Financial Literacy Significantly Influences the Attitude Toward Cryptocurrency.**

Digital literacy pertains to an individual's ability to effectively navigate and accomplish tasks in a digital environment (Jones-Kavalier & Flannigan, 2006; Lebdaoui et al., 2021a). It encompasses the skills required to interpret and utilize information in various digital formats processed through computers (Gallardo-Echenique et al., 2015). However, in terms of its relationship and impact on attitudes toward adopting FinTech in Morocco, digital literacy has been relatively neglected compared to financial literacy (Kass-Hanna et al., 2022). Existing research indicates that despite the recent increase in digital connectivity, it does not necessarily translate into positive usage of financial services (Morgan & Trinh, 2019). Consequently, there is a growing need to enhance digital skills in the realm of financial services to foster the development of the digital economy (Bauer & Hein, 2006). Digital literacy is considered crucial in the realm of cryptocurrency due to its complexity and technological demands (Vejačka & Pařová, 2019). Additionally, research by Vejačka and Pařová (2019) uncovers a gender disparity in attitudes toward adopting digital currency, suggesting lower digital literacy among women. It is therefore proposed that:

**H2: Digital Literacy Significantly Influences the Attitude Toward Cryptocurrency.**

Subjective norms (SN) pertain to the perceived pressure to either engage or refrain from a particular behavior (Abdo, 2023; Lindsey, 2003). When individuals become part of a group, their behavior may adapt to conform with the group's specific norms or rules. SN reflects an individual's belief regarding whether they should or should not engage in a specific action based on external influences (Ayedh et al., 2020). A study on cryptocurrency adoption based on the theory of planned behavior (TPB) highlights the significance of subjective norms, social influence, and perceived behavioral control (i.e., ease of use) (Schaupp & Festa, 2018). Individuals who perceive cryptocurrencies as user-friendly and receive positive social influence regarding their usage are more likely to adopt them. Furthermore, the social perception of cryptocurrency adoption attitudes holds considerable importance (Ayedh et al., 2020). To support the attitude toward cryptocurrency adoption, Soomro and Shah (2021) conducted a study based on the theory of planned behavior, revealing that investors consider individuals' attitudes in their adoption decisions. The study also found that individuals who use cryptocurrency for trading and as a mode of exchange show a significant influence on their orientation (Soomro & Shah, 2021). Similarly, Ayedh et al. (2020) discovered that people generally possess limited awareness and knowledge regarding crypto assets as new and modern financial instruments. This lack of awareness is attributed to their recent emergence, associated risks, and the strong impact of subjective norms, which contribute to volatile predictions for financial investment advice (Ayedh et al., 2020). Building upon the existing literature, we propose the following hypothesis:

**H3: Subjective Norms Significantly Influence the Attitude Toward Cryptocurrency.**

Perceived usefulness, as defined by Davis (1989) in the context of the technology acceptance model, refers to the perceived level of improvement a new system or behavior offers in terms of performance and outcomes (Marangunić & Granić, 2014). It encompasses the belief that adopting a new way of thinking or working will positively impact overall achievements (Ahmed, 2023; Davis, 1989). Applying this concept to cryptocurrency, research has indicated that individuals perceive crypto assets to be superior to traditional currencies in terms of transaction speed. Cryptocurrency enables direct payment between parties without the need for a financial institution's involvement (Abramova & Böhme, 2016). Furthermore, the usefulness of cryptocurrency is also supported by the notion of freedom of management, as adopters and traders can operate without the intervention of a third party, distinguishing it from other forms of currency (Khairuddin et al., 2016). Based on these studies, it can be concluded that perceived usefulness is a significant factor in understanding people's behavior and attitude toward the adoption of cryptocurrency (Hemantha, 2021). Drawing on the results of previous studies, the following hypothesis is presented:

**H4: Perceived Usefulness Significantly Influences the Attitude Toward Cryptocurrency.**

Sharia compliance refers to the belief system followed by Muslims in their daily affairs, which includes their interactions with beings and the environment (Nik Abdullah & Abd Wahab, 2015). In the context of cryptocurrency usage within an Islamic framework, a study has found that Sharia compliance positively influences the intention to use cryptocurrency on an emotional level (Meyliana & Fernando, 2019). The issues surrounding cryptocurrency usage stem from the uncertainty associated with its unregulated nature (Al-Hussaini et al., 2020). One particular concern is the concept of uncertainty (GHARAR), which is a problem that Fatwa centers should address to positively impact the use of cryptocurrency. Additionally, speculation poses a barrier for Muslims considering the use of this digital currency, as potential users are unsure about its value and the outcomes of transactions (Alam et al., 2019). Given the significant importance of sharia compliance in shaping the intention to use cryptocurrency, it is essential for Islamic scholars to address these issues (Al-Hussaini et al., 2020).

#### **H5: Sharia Compliance Positively Impacts the Attitude Toward Cryptocurrency.**

Perceived risk, as conceptualized by the unified theory of acceptance and use of technology (UTAUT), refers to the potential drawbacks and feelings of uncertainty associated with utilizing electronic services (Varma, 2018). In the realm of cryptocurrencies, perceived risk specifically alludes to the potential loss individuals anticipate when conducting transactions through online platforms (Schaupp & Festa, 2018). The impact of perceived risk on adoption and purchasing behavior is subject to diverse perspectives. Featherman and Pavlou (2003) discovered that perceived risk negatively influences individuals' intention to adopt and purchase, contrasting with other studies that emphasize its role in driving the adoption of various financial technologies, including mobile wallets, mobile banking, and Internet shopping (Featherman & Pavlou, 2003). In the context of mobile payment system adoption, perceived risk has been identified as a robust predictor and influencer of consumers' trust and their intention to use such systems (Liébana-Cabanillas et al., 2014). Therefore, perceived risk is posited to play a significant role in shaping individuals' attitudes and intentions toward embracing new financial technologies. It is, therefore, proposed that:

#### **H6: Perceived Risk Has a Negative Influence on Trust in Cryptocurrency.**

In the study conducted by Albayati et al. (2020) on the general acceptance of cryptocurrencies, the authors underscored the robust connection between governmental endorsement and public trust in cryptocurrencies. Regulatory support, as defined by the authors, encompasses a set of laws and regulations implemented by the government to oversee service providers and customers, ensuring compliance with responsibilities and laws. In recent years, regulators worldwide have acknowledged the imperative to scrutinize the adoption of innovative technologies, including the escalating use of cryptocurrencies. Government rules and regulations not only authorize the adoption of these technologies but also ensure the quality and security of the services provided (Farooq & Chetioui, 2012; Peters, 2015). Regulations are

instituted to instill confidence in users, assuring them that processes are conducted seamlessly and fairly, recognizing that modern technologies introduce uncertainty and risks (Wunsche, 2016). Regulatory support assumes a pivotal role in fostering trust among consumers in technology use (Lu et al., 2003). Based on the analysis and studies cited, it can be concluded that there exists a direct correlation between regulatory support and trust in cryptocurrencies. Consequently, the following hypothesis can be formulated:

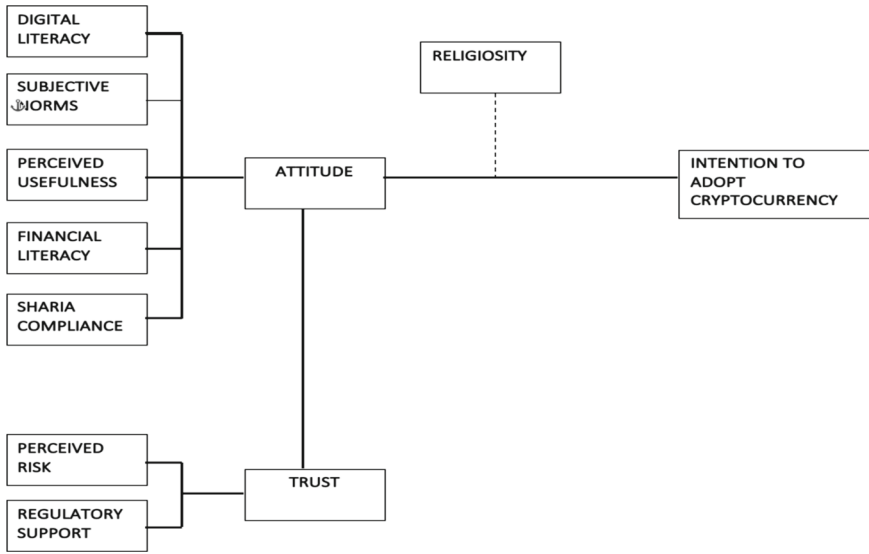
**H7: Regulatory Support Has a Positive Impact on Trust in the Adoption of Cryptocurrency.**

The FinTech ecosystem heavily relies on trust among various digital finance parties as an indicator of brand responsibility and interaction with stakeholders. Trust, in this context, is a psychological and behavioral determinant influencing the propensity to adopt FinTech services (Lebdaoui et al., 2021a;). With the increasing adoption of the Internet and the ease of transactions, trust has become a critical element driving the effectiveness of FinTech solutions and their key dimensions. A prior study underscores the importance of trust in influencing users' intentions, playing a significant role in the socioeconomic interaction of consumers, particularly in uncertain and unreliable environments (Koroma et al., 2022). In the realm of FinTech, which encompasses blockchain technology and cryptocurrencies, trust is crucial for customer adoption. FinTech solutions, such as cryptocurrencies, leverage interoperability with cryptography to encourage customers to embrace these innovative technologies (Sousa et al., 2022). Trust is, therefore, key to understanding customers' behaviors and decisions regarding the adoption of new technological innovations like cryptocurrencies. Research exploring the relationship between blockchain innovations and consumers' trust indicates that trust significantly influences customers' behavioral attitudes toward adopting these technological solutions (Zarifis & Cheng, 2022). Based on these insights, the following hypothesis can be formulated:

**H8: Trust in Cryptocurrency Positively Affects Consumers' Attitudes Toward Cryptocurrency.**

Attitude refers to the favorable or unfavorable judgment that a person forms toward a particular behavior and plays a crucial role in shaping beliefs (Lee, 2009). In the theory of planned behavior, attitude is recognized as a key driver of intention and is influenced by an individual's social psychology (Schaupp & Festa, 2018). Many researchers emphasize the strong association between attitude and intention. A positive and secure belief in cryptocurrency is likely to result in a higher intention to use and adopt it, whereas perceiving cryptocurrency transactions as risky can significantly diminish the intention (Lee, 2009). Trofimov suggests that attitude is a better predictor of intention compared to subjective norms, which rely on social pressure and external factors (Sridharan et al., 2023). His study found that 29–30% of survey respondents believed that attitude strongly predicts intention (Trafimov & Finlay, 1996). Therefore, the following hypothesis is suggested:

**H9: Attitude is Positively Related to the Intention to Adopt Cryptocurrency.**



**Fig. 1** Suggested conceptual model

Religiosity is defined as the set of values and practices shaping the individual’s daily lifestyle (Lebdaoui et al., 2021b). It represents an individual’s obligation to be part of a religious community (Bukhari et al., 2019). Religion, as a component of culture, influences an individual’s behavior, beliefs, and decision-making (Mukhtar & Mohsin Butt, 2012). It has been observed that individuals often choose to consume products that align with their religious norms (Shah Alam & Mohamed Sayuti, 2011). Islam also does not recommend investing in assets that are not certain (Gharar) (Lebdaoui et al., 2022). It is, therefore, hypothesized that (Fig. 1):

**H10: The Relationship Between Attitude and the Intention to Adopt Cryptocurrency is Moderated by Islamic Religiosity.**

**Methods**

*Procedures*

To explore the determinants influencing the intention to use cryptocurrency, we conducted a survey with a sample size exceeding 350 Moroccan individuals residing in the country, resulting in 212 valid responses. The survey incorporated various constructs, serving as the primary measures to assess the intention to use cryptocurrency within the surveyed Moroccan population. For the sake of practicality in our research, we employed convenience and snowball sampling methods (Chetioui et al.,

2017b, 2023c). Additionally, to ensure linguistic accuracy and cultural relevance, we employed back-translation by translating the questionnaire items from English to French, given the prevalence of French among Moroccan consumers (Chetioui et al., 2017b).

The survey was administered to a diverse group, comprising both male (51%) and female (49%) participants, thus achieving a balanced gender distribution. Respondents exhibited a range of ages, with an average age of 41 years. Regarding educational background, 48% of participants held a university degree, indicating a diverse educational profile. Moreover, the survey included individuals from various job statuses, facilitating a comprehensive analysis of the factors influencing cryptocurrency adoption. Over a span of approximately 60 days, from October to December 2022, we successfully collected 212 surveys. This timeframe allowed for substantial data collection and analysis, enabling an in-depth examination of the hypotheses and an exploration of the factors shaping the intention to use cryptocurrency among the participants.

## ***Measurement***

The survey employed in this study was informed by the literature review and encompassed various variables. Initially, the questionnaire included inquiries about gender, age, and employment status. These demographic characteristics were evaluated to attain a comprehensive understanding of the surveyed population. The survey items were crafted using a 5-point scale, enabling respondents to articulate their level of agreement or disagreement (Chetioui et al., 2023a; b, c). To accommodate a broader respondent base and enhance convenience, the survey items were presented in both French and English. By integrating a diverse array of variables and employing a suitable rating scale, the survey aimed to capture pertinent data and perspectives from the surveyed population, facilitating an in-depth analysis of the factors influencing the intention to use cryptocurrency among the respondents.

## **Results**

Our findings reveal a well-balanced gender distribution in the surveyed population, with 51% being men and 49% women. Additionally, a significant majority of the population, 95%, reported having a bank account. Examining age distribution, the highest proportion of participants fell within the 18–24 age range, constituting 26% of the total. The next prominent age group was 25–34 years old, representing 19% of the surveyed population. Participants aged 35–49 accounted for 7%, while those aged 65 and above comprised the remaining 7%. Regarding education levels, 48% of participants held a bachelor's degree (bac + 5), followed by 29% with a three-year



university degree (bac + 3). Participants with a two-year degree (bac + 2), high school degree, and Ph.D. degree constituted 13, 6, and 4%, respectively.

Analyzing salaries, 28% of participants earned less than 3000MAD, while 11% reported a salary ranging from 3001 to 5000MAD. Those earning between 5001 and 10000MAD made up 21% of the population, and 41% reported a salary exceeding 10001MAD. In terms of employment status, 33% of participants were employed, followed closely by students at 31%. Managers, professionals, and job seekers accounted for 10, 9, and 2%, respectively.

The research employed the structural equation model (SEM) to assess the relationship between constructs such as digital literacy, financial literacy, subjective norms, and trust. SEM, a theoretical tool used for testing causal relationships (Jensen et al., 2020), determined that partial least square (PLS) is suitable for assessing the causality of the conceptual model due to the lack of literature examining the conceptual method and the complexity of the conceptual model (Yuan & Bentler, 2006). The measurement model underwent assessment to evaluate indicator and construct reliability, convergent validity, and discriminant validity.

### ***Assessment of the Measurement Model***

First, in evaluating convergent validity, we examined indicator reliability, construct reliability, and average variance extracted. Our findings indicate that all item loadings surpass the 0.7 threshold recommended by Chin (1998), thereby confirming the reliability of model indicators (the table displaying item loadings is available upon request). Moreover, our results illustrate that all Cronbach's alphas (CA) and composite reliabilities (CR) exceed 0.7, signifying the approval of construct reliability (Henseler et al., 2009). Lastly, all average variance extracted (AVE) values surpass 0.5, ensuring convergent validity (refer to Table 1 for details).

The discriminant validity was assessed using the HTMT criterion as recommended by Hair and Alamer (2022). For the Hetrotrait-Monotrait ratio (HTMT) table, the values were all scoring a value below 0.9 (Chin, 1998). Therefore, we concluded that the measurement model is satisfactory (the HTMT table is available from the authors upon request).

### ***Structural Model***

To evaluate the strength of the structural model in explaining the variability in the variables, the coefficient of determination (*R*-square) was employed. A widely accepted criterion is that an *R*-square value above 0.2 signifies a significant effect. Additionally, Cohen's guidelines were considered, which categorize *R*-square values as low if they are 0.12 or below, medium if they fall between 0.13 and 0.25, and high if they are 0.26 or above (Cohen, 1992).

**Table 1** Convergent reliability and validity

	Cronbach's alpha	Composite reliability	Average variance extracted (AVE)
Attitude	0.935	0.958	0.885
Intention to adopt crypto	0.876	0.916	0.734
Digital literacy	0.804	0.842	0.573
Financial literacy	0.631	0.643	0.543
SC	0.884	0.904	0.760
Perceived regulatory support	0.806	0.886	0.721
Perceived risk	0.871	0.920	0.794
Perceived value	0.889	0.919	0.694
Religiosity	0.761	0.848	0.593
Subjective norms	0.735	0.849	0.652
Trust	0.787	0.875	0.701

Our findings reveal that the conceptual model accounts for 58% of the variation in attitude, which is considered a prominent level of explanation. Furthermore, the conceptual model explains 50% of the variation in the behavioral intention to adopt cryptocurrency, indicating a substantial explanatory power. Regarding trust, it was found to have a moderate predictive power, as its R-square value falls within the range of 0.13–0.25. This suggests a moderate effect according to Cohen's guidelines (Cohen, 1992).

First, digital literacy ( $\beta = 0.129$ ;  $p < 0.00$ ) is found to have a significant impact on the attitude toward using cryptocurrency supporting H2 (Kass-Hanna et al., 2022). Perceived value ( $\beta = 0.541$ ;  $p < 0.00$ ) and trust ( $\beta = 0.167$ ;  $p < 0.015$ ) are considered statistically supporting the H4 and H8, respectively. Trust was also found to be significantly influenced by perceived regulatory support ( $\beta = 0.445$ ;  $p < 0.00$ ), supporting H7, but not with perceived risk ( $\beta = -0.033$ ;  $p > 0.05$ ), rejecting H6. Still, as illustrated in Table 2, financial literacy ( $\beta = 0.018$ ;  $p > 0.828$ ), subjective norms, and perceived Sharia compliance ( $\beta = 0.023$ ;  $p > 0.375$ ) had no significant impact on attitude toward cryptocurrency adoption, not supporting H1, H3, and H5. Attitude ( $\beta = 0.489$ ;  $p > 0.00$ ) was finally found to have a strong impact on the individual's intention to adopt cryptocurrency.

### ***Moderating Effect***

To assess the moderating effect of Islamic religiosity, (Ping, 1995) approach was adopted. The first step is to standardize all indicators of the independent variables and the moderator, then to create a variable that represents the interaction effect.

**Table 2** Structural model assessment

Hypotheses	Relationships	Beta	STDEV	T statistics	P values
H1	Financial literacy → attitude	0.018	0.081	0.217	<b>0.828</b>
H2	Digital literacy → attitude	0.129	0.049	2.633	<b>0.009</b>
H3	Subjective norms → attitude	0.01	0.074	0.135	<b>0.893</b>
H4	Perceived value → attitude	0.541	0.077	7.043	<b>0.000</b>
H5	Perceived SC → attitude	0.023	0.061	0.375	<b>0.708</b>
H6	Perceived risk → trust	−0.033	0.082	0.395	<b>0.693</b>
H7	Perceived regulatory support → trust	0.445	0.06	7.386	<b>0.000</b>
H8	Trust → attitude	0.167	0.068	2.444	<b>0.015</b>
H9	Attitude → behavioral intention to adopt C	0.489	0.064	7.624	<b>0.000</b>
	<b>Moderating effect</b>				
H10	Attitude*religiosity → behavioral intention to adopt cryptocurrencies	−0.059	0.049	1.191	<b>0.234</b>

The last step is to assess the structural model by introducing the moderator variable (independent variable\*moderator).

Our findings show that the interaction coefficient for attitude toward cryptocurrency and Islamic religiosity was not significant (Beta = −0.059,  $p > 0.05$ ), thus not supporting H10. That is, Islamic religiosity does not moderate the relationship between Moroccan consumers' attitude and intention to invest in cryptocurrency. Our results suggest therefore that whether the respondents have a high or low religiosity level, their intention to invest in cryptocurrency is not influenced (Table 2).

## Discussion and Research Implications

Firstly, digital literacy emerges as a significant determinant influencing attitudes toward cryptocurrency adoption, aligning with existing research that emphasizes the necessity of digital literacy given the complexity of cryptocurrency usage (Vejačka & Pařová, 2019). Given the technologically advanced nature of cryptocurrency, a heightened level of digital literacy is essential for effective understanding and engagement. Despite the notable growth in Internet penetration and the emergence of social media platforms in Morocco, cryptocurrency usage remains limited (Zaid, 2016). The importance of digital literacy becomes evident as cryptocurrency, beyond being a transactional tool, can also be a means to generate speculative returns.

Secondly, perceived usefulness significantly influences the attitude toward using cryptocurrency in Morocco, consistent with prior literature highlighting a positive correlation between these variables (Abramova & Böhme, 2016; Khairuddin et al.,

2016). The substantial effect is grounded in the notion that individuals are motivated to adopt cryptocurrency based on their belief in its potential financial benefits (Shahzad et al., 2018), with users considering the advantages of cryptocurrency adoption as a compelling factor in their decision-making process.

Thirdly, the results of hypothesis H7 reveal a positive relationship between the presence of regulatory support and trust in using cryptocurrency among the Moroccan population, aligning with literature findings (Lu et al., 2003; Wunsche, 2016). Regulatory support is crucial in mitigating technostress associated with cryptocurrency adoption (Wu et al., 2022). However, it is noteworthy that current regulatory measures in Morocco do not favor cryptocurrency adoption, as the reasons for the ban remain unspecified. The absence of regulatory support is considered a barrier hindering Moroccan citizens from utilizing cryptocurrency as a transactional tool (Bziker, 2021).

Fourthly, trust emerges as a critical factor with a positive impact on attitudes toward cryptocurrency, corroborating previous literature (Koroma et al., 2022). Trust plays a pivotal role in financial transactions, and its positive influence supports a favorable stance toward cryptocurrency adoption.

Lastly, the data analysis reveals a positive relationship between attitude and the intention to adopt cryptocurrency, consistent with studies by Schaupp and Festa (2018) and Lee (2009). Individuals are more inclined to adopt cryptocurrency if they hold a positive attitude toward it (Zamzami, 2020), underscoring the pivotal role of attitude in decision-making processes and reflecting the individual's positive evaluation of cryptocurrency adoption (Akhtar & Das, 2019). In summary, the study's findings suggest that attitudes significantly drive behavior and the intention to adopt cryptocurrency.

However, our study reveals that subjective norms, financial literacy, perceived Shariaa' compliance, and perceived risk do not exhibit significance. Firstly, contrary to the findings of Ayedh et al. (2020) suggesting a positive association between encountering positive subjective norms and cryptocurrency adoption, our study does not establish such a link (Bauer & Hein, 2006). This discrepancy might be attributed to the nature of the sample utilized in this study, and the non-significance of subjective norms could be related to the focus on the consequences of actions rather than general opinions (Vallerand et al., 1992).

Our study contradicts the conclusions of Van Rooij et al. (2011) and Leskinen and Raijas (2006), proposing that financial literacy influences decision-making. In contrast, our results indicate that financial literacy does not contribute significantly to the intention to hold cryptocurrency in Morocco. This observation supports the notion that a high level of financial literacy may not necessarily impact an individual's intention to adopt cryptocurrency (Panos et al., 2020).

The present challenges previous literature suggests a positive relationship between perceived Shariaa compliance and the intention to adopt cryptocurrency (Meyliana & Fernando, 2019). In our findings, perceived Shariaa compliance does not exhibit a significant impact on emotions or the intention to adopt cryptocurrency.

We also identified an insignificant impact of perceived risk on trust to use cryptocurrency, contrary to prior literature (Featherman & Pavlou, 2003; Schaupp &

Festa, 2018). Perceived risk in our study has a converse impact on trust and the intention to use cryptocurrency, potentially indicating that individuals associate higher risk with higher potential benefits.

Finally, our study reveals that religiosity does not moderate the relationship between attitude and behavioral intention to adopt cryptocurrencies, which contradicts previous literature (Shah Alam & Mohamed Sayuti, 2011). This discrepancy may be linked to the international economic position of Morocco, where religion does not play a significant role in financial decision-making. However, it is crucial to note that the sample used does represent the Moroccan population.

Given the limited research available on the attitude toward cryptocurrency adoption specifically in the Moroccan context, this study serves as a valuable starting point for future studies and a benchmark for expanding knowledge in this area. Additionally, this study explores the factors influencing cryptocurrency decision-making and provides practical insights for stakeholders and the general population. The study's findings can inform policymakers in formulating relevant policies and legal frameworks related to cryptocurrency. It is recommended that the government establishes regulatory support through trustworthy cryptocurrency platforms to enhance trust in cryptocurrency with consideration for factors such as religiosity and the digital literacy level of the population. Furthermore, increasing awareness among the population about the usefulness and value of cryptocurrency is crucial for promoting its adoption in Morocco. Finally, improving user experiences and fostering positive social norms can contribute to the wider acceptance and adoption of cryptocurrency.

## References

- Abdo, K.K. (2023). Mapping and visualization of bitcoin future trends. In V. Ramadani, B. Alserhan, L. P. Dana, J. Zeqiri, H. Terzi, & M. Bayirli (Eds.), *Research on Islamic business concepts. GIMAC 2022. Springer proceedings in business and economics*. Springer. [https://doi.org/10.1007/978-981-99-5118-5\\_12](https://doi.org/10.1007/978-981-99-5118-5_12)
- Abramova, S., & Böhme, R. (2016). Perceived benefit and risk as multidimensional determinants of bitcoin use: A quantitative exploratory study. In *Proceedings of the 2016 International Conference on Information Systems, ICIS 2016, Zohar 2015* (pp. 1–20). <https://doi.org/10.17705/4icis.00001>
- Agustina, D. (2019). Extension of technology acceptance model (ETAM): Adoption of cryptocurrency online trading technology. *Jurnal Ekonomi*, 24(2), 272.
- Ahmed, A.H. (2023). The impact of attitude and subjective norms on customers behavior toward Islamic banking: Evidence from palestine. In V. Ramadani, B. A. Alserhan, L. P. Dana, J. Zeqiri, H. Terzi, & M. Bayirli (Eds.), *Research on Islamic business concepts. GIMAC 2021. Springer proceedings in business and economics*. Springer. [https://doi.org/10.1007/978-3-031-18663-9\\_4](https://doi.org/10.1007/978-3-031-18663-9_4)
- Akhtar, F., & Das, N. (2019). Predictors of investment intention in Indian stock markets: Extending the theory of planned behaviour. *International Journal of Bank Marketing*, 37(1), 97–119. <https://doi.org/10.1108/IJBM-08-2017-0167>
- Akturan, U., & Tezcan, N. (2012). Mobile banking adoption of the youth market. *Marketing Intelligence and Planning*, 30(4), 444–459. <https://doi.org/10.1108/02634501211231928>

- Alam, N., Gupta, L., & Zameni, A. (2019). Digitalization and disruption in the financial sector. *Fintech and Islamic Finance*, 12, 1–9. [https://doi.org/10.1007/978-3-030-24666-2\\_1](https://doi.org/10.1007/978-3-030-24666-2_1)
- Albayati, H., Kim, S. K., & Rho, J. J. (2020). Accepting financial transactions using blockchain technology and cryptocurrency: A customer perspective approach. *Technology in Society*, 62, 101320. <https://doi.org/10.1016/j.techsoc.2020.101320>
- Al-Hussaini, A. I. S., Ibrahim, A. A., Noordin, M. F., & Mohadis, H. M. (2020). Factors influencing adoption of cryptocurrency-based transaction from an Islamic perspective. *Global Journal of Computer Science and Technology*, 20(G4), 21–32.
- Alsahliy, D. K., & Husin, L. (2021). Religiosity as a moderator of the relationship between personality trait and perceived risk: A conceptual framework. *Journal of Contemporary Issues in Business and Government*, 27(02), 126.
- Antonopoulos, A. M. (2018). *Mastering bitcoin: Programming the open blockchain*. O'Reilly.
- Ayedh, A. M., Omar, M. M., & Echchabi, A. (2020). Factors influencing bitcoin investment intention: The case of Oman. *International Journal of Internet Technology and Secured Transactions*, 1(1), 1. <https://doi.org/10.1504/ijitst.2020.1003007>
- Bauer, K., & Hein, S. E. (2006). The effect of heterogeneous risk on the early adoption of Internet banking technologies. *Journal of Banking and Finance*, 30(6), 1713–1725. <https://doi.org/10.1016/j.jbankfin.2005.09.004>
- Bolotaeva, O. S., Stepanova, A. A., & Alekseeva, S. S. (2019). The legal nature of cryptocurrency. *IOP Conference Series: Earth and Environmental Science*, 272(3), 032166. <https://doi.org/10.1088/1755-1315/272/3/032166>
- Bukhari, S. F., Woodside, F. M., Hassan, R., Shaikh, A. L., Hussain, S., & Mazhar, W. (2019). Is religiosity an important consideration in Muslim consumer behavior. *Journal of Islamic Marketing*, 10(4), 1288–1307. <https://doi.org/10.1108/jima-01-2018-0006>
- Bziker, Z. (2021). The status of cryptocurrency in Morocco. *Research in Globalization*, 3, 100040. <https://doi.org/10.1016/j.resglo.2021.100040>
- Chen, C.-H., & Yang, Y.-C. (2019). Revisiting the effects of project-based learning on students' academic achievement: A meta-analysis investigating moderators. *Educational Research Review*, 26, 71–81. <https://doi.org/10.1016/j.edurev.2018.11.001>
- Chetioui, Y., Abbar, H., & Benabbou, Z. (2017b). Do CRM dimensions improve hotels occupancy rates? Evidence from the Moroccan hospitality sector. *International Journal of Management Excellence*, 9(3), 1172–1182.
- Chetioui, Y., Errachid, Y., Lebdaoui, H. (2023a). Organizational justice, employee empowerment, and innovative behavior in the post-COVID era: Evidence from SMEs in a majority-Muslim country. In V. Ramadan, B. Alserhan, L. P. Dana, J. Zeqiri, H. Terzi, & M. Bayirli (Eds.), *Research on Islamic business concepts. GIMAC 2022. Springer proceedings in business and economics*. Springer. [https://doi.org/10.1007/978-981-99-5118-5\\_11](https://doi.org/10.1007/978-981-99-5118-5_11)
- Chetioui, Y., Lebdaoui, H., & Hafid, N. (2023b). Mobile banking usage in the postpandemic era: Demystifying the disparities among divergent user segments in a majority-Muslim country. *Journal of Islamic Marketing*, 12, 232. <https://doi.org/10.1108/JIMA-08-2022-0232>
- Chetioui, Y., Butt, I., Fathani, A., & Lebdaoui, H. (2023c). Organic food and Instagram health and wellbeing influencers: An emerging country's perspective with gender as a moderator. *British Food Journal*, 125(4), 1181–1205.
- Chin, W. W. (1998). *The partial least squares approach to structural equation modeling the proactive technology project recovery function: A methodological analysis view project research methods view project*. <https://www.researchgate.net/publication/311766005>
- Cohen, J. (1992). A power primer. *Psychological Bulletin*, 112(1), 155–159.
- Conti, M., Sandeep Kumar, E., Lal, C., & Ruj, S. (2018). A survey on security and privacy issues of bitcoin. *IEEE Communications Surveys and Tutorials*, 20(4), 3416–3452. <https://doi.org/10.1109/comst.2018.2842460>
- Davis, F. D. (1989). Perceived usefulness, perceived ease of use, and user acceptance of information technology. *MIS Quarterly*, 13(3), 319. <https://doi.org/10.2307/249008>

- Dowling, G. R. (1986). Managing your corporate images. *Industrial Marketing Management*, 15(2), 109–115. [https://doi.org/10.1016/0019-8501\(86\)90051-9](https://doi.org/10.1016/0019-8501(86)90051-9)
- Farooq, O., & Chetioui, Y. (2012). Corporate governance and stock price performance of firms during the crisis: Evidence from the MENA region. *International Journal of Business Governance and Ethics*, 7(4), 331–349.
- Featherman, M. S., & Pavlou, P. A. (2003). Predicting e-services adoption: A perceived risk facets perspective. *International Journal of Human Computer Studies*, 59(4), 451–474. [https://doi.org/10.1016/S1071-5819\(03\)00111-3](https://doi.org/10.1016/S1071-5819(03)00111-3)
- Fujiki, H. (2020). Empirical analysis on understanding of financial products. *Public Policy Review, Policy Research Institute*, 16(7), 1–25.
- Gallardo-Echenique, E. E., Minelli de Oliveira, J., Marqués-Molias, L., & Esteve-Mon, F. (2015). Digital competence in the knowledge society. *MERLOT Journal of Online Learning and Teaching*, 11(1), 1–16.
- Goodwin, C. (2000). Action and embodiment within situated human interaction. *Journal of Pragmatics*, 32(10), 1489–1522. [https://doi.org/10.1016/S0378-2166\(99\)00096-x](https://doi.org/10.1016/S0378-2166(99)00096-x)
- Hair, J., & Alamer, A. (2022). Partial least squares structural equation modeling (PLS-SEM) in second language and education research: Guidelines using an applied example. *Research Methods in Applied Linguistics*, 1(3), 100027. <https://doi.org/10.1016/j.rmal.2022.100027>
- Hasbullah, N., & Ithnin, M. (2014). Can the theory of planned behavior be extended? Evidence from numerous research. *International Journal of Current Research*, 6(12), 11167–11169.
- Hemantha, T. R. (2021). *Factors influencing cryptocurrency adoption among individuals: A systematic literature review* (thesis). Faculty of Business, Economics and Law.
- Henseler, J., Ringle, C. M., & Sinkovics, R. R. (2009). The use of partial least squares path modelling in international marketing. *Advances in International Marketing*, 37, 277–319. [https://doi.org/10.1108/s1474-7979\(2009\)0000020014](https://doi.org/10.1108/s1474-7979(2009)0000020014)
- Hung, S.-Y., Chang, C.-M., & Yu, T.-J. (2006a). Determinants of user acceptance of the e-government services: The case of online tax filing and payment system. *Government Information Quarterly*, 23(1), 97–122. <https://doi.org/10.1016/j.giq.2005.11.005>
- Hung, S. Y., Chang, C. M., & Yu, T. J. (2006b). Determinants of user acceptance of the e-government services: The case of online tax filing and payment system. *Government Information Quarterly*, 23(1), 97–122.
- Jensen, M., Hüttenrauch, E., Schmidt, J., Andersson, G., Chavanon, M.-L., & Weise, C. (2020). Neurofeedback for tinnitus: Study protocol for a randomised controlled trial assessing the specificity of an alpha/delta neurofeedback training protocol in alleviating both sound perception and psychological distress in a cohort of chronic tinnitus sufferers. *Trials*, 21(1), 4309. <https://doi.org/10.1186/s13063-020-04309-y>
- Jones-Kavalier, B. R., & Flannigan, S. L. (2006). Connecting the digital dots: Literacy of the 21st century. *Educational Quarterly*, 29(2), 8–10.
- Kass-Hanna, J., Lyons, A. C., & Liu, F. (2022). Building financial resilience through financial and digital literacy in South Asia and Sub-Saharan Africa. *Emerging Markets Review*, 51, 100846. <https://doi.org/10.1016/j.ememar.2021.100846>
- Khairuddin, I. E., Sas, C., Clinch, S., & Davies, N. (2016). *Exploring motivations for bitcoin technology usage*, pp. 2872–2878. <https://doi.org/10.1145/2851581.2892500>
- Koroma, J., Rongting, Z., Muhideen, S., Akintunde, T. Y., Amosun, T. S., Dauda, S. J., & Sawaneh, I. A. (2022). Assessing citizens' behavior towards blockchain cryptocurrency adoption in the Mano River Union States: Mediation, moderation role of trust and ethical issues. *Technology in Society*, 68, 101885. <https://doi.org/10.1016/j.techsoc.2022.101885>
- Lebdaoui, H., Chetioui, Y., & Ghechi, E. (2021a). The impact of behavioral biases on investment performance: Does financial literacy matter? *International Journal of Economics and Financial Issues*, 11(3), 13–21.
- Lebdaoui, H., Chetioui, Y., & Guechi, E. (2021b). The impact of behavioral biases on investment performance: Does financial literacy matter? *International Journal of Economics and Financial Issues*, 11(3), 13–21.



- Lebdaoui, H., Chetioui, Y., & Harkat, T. (2022). Propensity towards Islamic banking among non-users: A mixed-methods analysis. *Journal of Financial Services Marketing*, 32, 178. <https://doi.org/10.1057/s41264-022-00178-5>
- Lee, M. C. (2009). Factors influencing the adoption of internet banking: An integration of TAM and TPB with perceived risk and perceived benefit. *Electronic Commerce Research and Applications*, 8(3), 130–141. <https://doi.org/10.1016/j.elerap.2008.11.006>
- Leskinen, J., & Rajjas, A. (2006). *Consumer financial capability: Empowering European consumers financial capability—a life cycle approach*. In European Credit Research Institute (Ed.), *European Credit Research Institute* (pp. 8–23)
- Liébana-Cabanillas, F., Sánchez-Fernández, J., & Muñoz-Leiva, F. (2014). Antecedents of the adoption of the new mobile payment systems: The moderating effect of age. *Computers in Human Behavior*, 35, 464–478. <https://doi.org/10.1016/j.chb.2014.03.022>
- Lindsey, L. M. (2003). *Thesis—Michigan State University, Dept. of Communication*.
- Lu, J., Yu, C., Liu, C., & Yao, J. E. (2003). Technology acceptance model for wireless internet. *Internet Research*, 13(3), 206–222. <https://doi.org/10.1108/10662240310478222>
- Marangunić, N., Granić, A. (2015). Technology acceptance model: a literature review from 1986 to 2013. *Universal Access in the Information Society*, 14, 81–95. <https://doi.org/10.1007/s10209-014-0348-1>
- Meera, A. K. (2018). Cryptocurrencies from Islamic perspectives: The case of bitcoin. *Buletin Ekonomi Moneter Dan Perbankan*, 20(4), 443–460.
- Meyliana, S., & Fernando, E. (2019). Pengaruh Persepsi Risiko dan Kepercayaan Dalam Adopsi Layanan Fintech Di Indonesia. *CommIT Journal*, 13(1), 31–37.
- Morgan, P., & Trinh, L. Q. (2019). Determinants and impacts of financial literacy in the Lao PDR. *ADB Working Paper*, 928.
- Mukhtar, A., & Mohsin Butt, M. (2012). Intention to choose *halal* products: The role of religiosity. *Journal of Islamic Marketing*, 3(2), 108–120. <https://doi.org/10.1108/17590831211232519>
- Namahoot, K. S., & Rattanawiboonsom, V. (2022). Integration of TAM model of consumers' intention to adopt cryptocurrency platform in Thailand: The mediating role of attitude and perceived risk. *Human Behavior and Emerging Technologies*, 2022, 1–12. <https://doi.org/10.1155/2022/9642998>
- Náñez Alonso, S. L., Jorge-Vázquez, J., Echarte Fernández, M. Á., & Reier Forradellas, R. F. (2021). Cryptocurrency mining from an economic and environmental perspective analysis of the most and least sustainable countries. *Energies*, 14(14), 4254. <https://doi.org/10.3390/en14144254>
- Nik Abdullah, N. S., & Abd Wahab, N. (2015). Investigating factors affecting the intention to use Islamic personal financing. *International Journal of Management Studies*, 22, 47–60.
- Noctor, M., Stoney, S., & Stradling, R. (1992). *National Westminster Bank. Financial literacy: A discussion of concepts and competences of financial literacy and opportunities for its introduction into young people's learning*. Report prepared for the National Westminster Bank, National Foundation for Education Research, London.
- Panos, G. A., Karkkainen, T., & Atkinson, A. (2020). *Financial literacy and attitudes to cryptocurrencies*. <https://ssrn.com/abstract=3482083>
- Peters, B. G. (2015). Policy capacity in public administration. *Policy and Society*, 34(3–4), 219–228. <https://doi.org/10.1016/j.polsoc.2015.09.005>
- Ping, R. (1995). A parsimonious estimating technique for interaction and quadratic latent variables. *The Journal of Marketing Research*, 32, 336–347.
- Rotter, J. B. (1966). Generalized expectancies for internal versus external control of reinforcement. *Psychological Monographs: General and Applied*, 80(1), 1–28. <https://doi.org/10.1037/h0092976>
- Ryu, H.-S. (2018). Understanding benefit and risk framework of fintech adoption: Comparison of early adopters and late adopters. In *Proceedings of the 51st Hawaii international conference on system sciences*. <https://doi.org/10.24251/hicss.2018.486>
- Schaupp, L. C., & Festa, M. (2018). Cryptocurrency adoption and the road to regulation. In *ACM international conference proceeding series* (pp. 1–9). <https://doi.org/10.1145/3209281.3209336>



- Shah Alam, S., & Mohamed Sayuti, N. (2011). Applying the theory of planned behavior (TPB) in halal food purchasing. *International Journal of Commerce and Management*, 21(1), 8–20. <https://doi.org/10.1108/10569211111111676>
- Shahzad, F., Xiu, G. Y., Wang, J., & Shahbaz, M. (2018). An empirical investigation on the adoption of cryptocurrencies among the people of mainland China. *Technology in Society*, 55, 33–40. <https://doi.org/10.1016/j.techsoc.2018.05.006>
- Soomro, B. A., & Shah, N. (2021). Is procrastination a “Friend or foe”? Building the relationship between fear of the failure and entrepreneurs’ well-being. *Journal of Entrepreneurship in Emerging Economies*, 14(6), 1054–1071. <https://doi.org/10.1108/jeee-12-2019-0191>
- Sousa, A., Calçada, E., Rodrigues, P., & Pinto Borges, A. (2022). Cryptocurrency adoption: A systematic literature review and bibliometric analysis. *EuroMed Journal of Business*, 17(3), 374–390. <https://doi.org/10.1108/EMJB-01-2022-0003>
- Sridharan, U., Mansour, F., Ray, L., & Huning, T. (2023). Effect of risk attitude on cryptocurrency adoption for compensation and spending. *Journal of Financial Economic Policy*, 15(4/5), 337–350. <https://doi.org/10.1108/JFEP-04-2023-0099>
- Trafimow, D., & Finlay, K. A. (1996). The importance of subjective norms for a minority of people: Between subjects and within-subjects analyses. *Personality and Social Psychology Bulletin*, 22(8), 820–828. <https://doi.org/10.1177/0146167296228005>
- Vallerand, R. J., Deshaies, P., Cuerrier, J. P., Pelletier, L. G., & Mongeau, C. (1992). Ajzen and Fishbein’s theory of reasoned action as applied to moral behavior: A confirmatory analysis. *Journal of Personality and Social Psychology*, 62(1), 98–109. <https://doi.org/10.1037/0022-3514.62.1.98>
- Van Rooij, M., Lusardi, A., & Alessie, R. (2011). Financial literacy and stock market participation. *Journal of Financial Economics*, 101(2), 449–472. <https://doi.org/10.1016/j.jfineco.2011.03.006>
- Varma, C. (2018). Importance of employee motivation and job satisfaction for organizational performance. *International Journal of Social Science and Interdisciplinary Research*, 6(2), 10–20.
- Vejačka, M., & Pařová, D. (2019). Attitude of Slovak Citizens towards cryptocurrencies: The gender differences. *International Journal of Economics and Management Studies*, 6(12), 141–150. <https://doi.org/10.14445/23939125/ijems-v6i12p116>
- Wu, G., Yang, J., & Hu, Q. (2022). Research on factors affecting people’s intention to use digital currency: Empirical evidence from China. *Frontiers in Psychology*, 13. <https://doi.org/10.3389/fpsyg.2022.928735>
- Wunsche, A. (2016). Technological disruption of capital markets and reporting? An introduction to Blockchain. In *Chartered Professional Accountants of Canada (CPA Canada)*.
- Yuan, K.-H., & Bentler, P. M. (2006). Asymptotic robustness of standard errors in multilevel structural equation models. *Journal of Multivariate Analysis*, 97(5), 1121–1141. <https://doi.org/10.1016/j.jmva.2005.06.003>
- Zaid, B. (2016). Internet and democracy in Morocco: A force for change and an instrument for repression. *Global Media and Communication*, 12(1), 49–66. <https://doi.org/10.1177/1742766515626826>
- Zamzami, A. H. (2020). *The intention to adopting cryptocurrency of Jakarta community*. <https://doi.org/10.31933/dijms.v2i1>
- Zarifis, A., & Cheng, X. (2022). A model of trust in Fintech and trust in Insurtech: How artificial intelligence and the context influence it. *Journal of Behavioral and Experimental Finance*, 36, 1–20.
- Zhao, H., & Zhang, L. (2021). Financial literacy or investment experience: Which is more influential in cryptocurrency investment? *International Journal of Bank Marketing*, 39(7), 1208–1226. <https://doi.org/10.1108/ijbm-11-2020-0552>

**Youssef Chetioui** Dr. Youssef Chetioui is an associate professor of marketing and research methods at the School of Business Administration of Al Akhawayn University in Ifrane, Morocco. Dr. Chetioui has also served as a research fellow at the Colegio Universitario de Estudios Financieros (CUNEF), Complutense University in Madrid, Spain, and as a visiting professor at Hertfordshire University in Hatfield, UK. As well, he served as a co-researcher on large-scale international programs for research and innovation sponsored by the European Commission. His research focuses on the use of quantitative methods to understand consumers' attitudes and purchase behavior.

**Hind Lebdaoui** Dr. Hind Lebdaoui is an associate professor of finance at the School of Business Administration of Al Akhawayn University in Ifrane, Morocco. She received her Ph.D. in finance from Shanghai University of Finance and Economics in 2014 and joined its faculty to teach there for two years before joining AUI in 2016. Her research focuses on finance, Islamic banking, ethical finance and behavioral finance/marketing decision, financial development, and economic growth. Dr. Lebdaoui has been selected as one of the top 30 most influential women in Islamic finance sector by Cambridge IFA WOMENi since 2018 and as the 2023 Womani\_Academia (2023 most influential female academician in Islamic finance and banking).

**Soukaina Kanzi Balghiti** is working in School of Business Administration (SBA) of Al Akhawayn University in Ifrane, Morocco.

# The Effects of Perceived Price, Quality, and Consumer Trust on Purchase Intentions of Halal Products



Bekir Ozkan, Ibrahim Halil Efendioglu, Tamer Baran, and Fatih Koc

**Abstract** Consumption of halal products is preferred not only for religious requirements but also for the need to consume healthy products, both in places with a sizeable Muslim community and areas where non-Muslims live intensely. The increasing awareness of halal products amplifies the importance given to the subject and contributes to a growing number of academic studies on the matter. Consequently, elements such as price perception, quality perception, and trust for halal products evolve. This study aims to determine the impact of price and quality perception on halal product purchase intentions. Additionally, it seeks to explore the influence of price perception on trust. The questionnaire form prepared for this purpose was delivered to the participants online. After removing the erroneous data from the obtained dataset, a total of 340 data were used in the analysis. The data were initially objected to confirmatory factor analysis, followed by structural equation modeling which was performed to test the hypotheses. According to the results obtained, perceived price does not significantly affect purchase intentions, but it does positively affect perceived quality and consumer trust. Furthermore, perceived quality does not directly affect purchase intentions, yet it does affect consumer trust. Another key finding within the scope of the study is that consumer trust significantly influences purchase intentions.

**Keywords** Halal product · Perceived price · Perceived quality · Consumer trust · Purchase intention

---

B. Ozkan (✉)

Bursa Technical University, Yildirim, Turkey

e-mail: [bekir.ozkan@btu.edu.tr](mailto:bekir.ozkan@btu.edu.tr)

I. H. Efendioglu

Gaziantep University, Şahinbey, Turkey

e-mail: [efendioglu@gantep.edu.tr](mailto:efendioglu@gantep.edu.tr)

T. Baran

Pamukkale University, Denizli, Turkey

e-mail: [tbaran@pau.edu.tr](mailto:tbaran@pau.edu.tr)

F. Koc

Kocaeli University, kocaeli, Turkey

## Introduction

The increasing Muslim population in the world has necessitated the halal product market, which Muslims need with high religious sensitivity. These consumers in question choose to consume halal product instead of forbidden by Islam (Baran, 2021). Both the increasing Muslim population and the awareness of Muslim consumers cause the halal product market to rise rapidly at the global level. So much so that certain reports (Imarcgroup, 2023) predict that the halal market size, around 2 trillion dollars in 2022, will increase to about 3 trillion dollars in 2028. The halal issue needs to be addressed in detail due to the poor condition of the halal sector in Muslim countries, the fact that the sector is generally dominated by non-Muslims, halal certification chaos, the lack of Muslim workforce to meet the increasing demand for halal services, etc. (Alserhan et al., 2022).

The increasing demand and market volume of halal products have attracted significant attention from researchers in recent years (Baran, 2021). A review of literature on halal product research (Baran, 2021; Fauzi, 2023; Naeem et al., 2020; Secinaro & Calandra, 2021) reveals an intensive focus on specific regions such as Malaysia, Pakistan, and Indonesia. However, the Turkish market has mostly ignored.

In this context, the present study aims to test the effects of perceived price, quality, and trust on consumers' intentions to purchase halal product in Turkey, a distinct Islamic culture. This paper presents a comprehensive model of consumers' intentions to purchase halal product. In this regard, the current study distinguishes itself from previous studies by investigating the effects of variables from previous studies on halal product purchase intentions within a single model.

In pursuit of this aim, this paper tries to answer the following research questions:

RQ<sub>1</sub>: Does the perceived price of halal products influence the quality and trust perceptions of Muslim consumers?

RQ<sub>2</sub>: Is the price perception of Muslim consumers a determinant of their intention to purchase halal products?

This paper is structured as follows: The next section introduces the variables that constitute the study model along with the hypotheses derived from the literature. This section is followed by a description of the study's sampling and analysis method. The ensuing section presents the results of the analysis. The paper concludes with discussion, conclusions, limitations, and suggestions for future research.

## Literature Review

### *Perceived Price*

Price is a concept that is interpreted differently by consumers and businesses. For businesses, it represents a source of income. For consumers, the price signifies the monetary cost of acquiring a product. Price plays a significant role in influencing purchasing decisions (Chong et al., 2022).

Price reflects a customer's perceptual and subjective evaluation. The perceived price is an individual customer's assessment regarding a product/service. The perceived price is essential for the customer's post-purchase behavior toward product quality (Cho et al., 2015; Jeaheng et al., 2020). Besides, the quality of halal products should correspond to their prices (Al-Ansi et al., 2019). Given that halal products maintain a certain level of quality, the high price of these products is acceptable for consumers. A study by Verbeke et al. (2013) indicated that Muslim consumers living in Belgium are willing to pay more for halal meat products as they think that they are safer. Based on this information, it can be inferred that there is a relationship between price and quality for halal product. Therefore, the following hypothesis is proposed:

**H<sub>1</sub>:** The perceived price positively influences the perceived quality toward halal products.

Customers' sense of fairness toward prices of the products influences their trust in the company, brand, or product (Garbarino & Lee, 2003). If consumers perceive the product price as unfairly, it will negatively affect their trust, purchase intention, and behavior.

Trust and price are two factors influencing the purchasing intention and behavior toward halal products. The fact that consumers trust halal products will result in paying high prices for these products (Joo, 2015). In the study of Al-Ansi and Han (2019) on hotels offering halal services in South Korea, it was found that there is a correlation between price and trust. Similarly, a study by Jeaheng et al. (2020) indicated that price positively affects consumer trust. Based on this information, the following hypothesis is proposed:

**H<sub>2</sub>:** The perceived price positively influences trust toward halal products.

Price plays a crucial role in shaping consumer attitudes. Many studies have established a relationship between price and purchase intentions (Varki & Colgate, 2001). Variations in product prices influence decision-making (Polas et al., 2020). Typically, a higher perceived price reduces the purchase intention, but this may differ for halal-certified products. Wilson and Liu (2010) observed that Muslim consumers are generally willing to pay a higher price for halal-certified products. Mukhtar and Butt (2012) asserted that Muslim consumers are willing to pay a higher price for halal-certified products, which does not negatively impact their purchase intention.

According to a study focused on halal tourism, consumers expressed their readiness to opt for halal tourism and are even prepared to pay higher prices for it (Rehman & Aisha, 2023). Many studies on halal products have suggested that perceived price positively correlates with purchase intention (Hong et al., 2019; Isa et al., 2018; Jeaheng et al., 2020; Polas et al., 2020). Based on this information, the following hypothesis has been formulated.

**H<sub>3</sub>:** The perceived price positively influences the purchase intention toward halal products.

### *Consumer Trust*

The concept of trust, which is used in many different areas of life, is also frequently encountered in marketing. Sirdeshmukh et al. (2002) stated that trust significantly influences a consumer's purchase intention. Especially when it comes to food consumption, all consumers want to trust the product they consume and the business from which they purchase it. One element that instills this sense of trust is halal products. In the case of halal products, consumer trust in the brand, product, and certification institution is essential. Halal certification assures consumers, especially Muslim consumers, that the materials used and the production processes comply with the Islamic religion (Yunos et al., 2017). The most trusted sources of information about halal are food experts, individuals with religious sensitivities, and theologians (Ozkan, 2022). Producers and marketers use the halal certificate and logo to inform and reassure their target consumers that their products are halal and comply with Islamic principles (Alam & Sayuti, 2011).

The halal trust factor is a crucial factor that affects the attitude toward halal and purchase intention (Pradana et al., 2022). The main factors determining trust in halal products are security, government interventions, degree of awareness, reliability, and production practices (Mohamed et al., 2008). Mukhtar and Butt (2012) stated that halal certifications increase consumer trust in the product, positively affecting purchase intention. Similarly, Farah (2021) found in his study that brand trust and various factors for halal products significantly affect consumers' purchase intention. Additionally, consumer trust along with different variables influences Muslim consumers' intention to purchase halal products from e-marketplaces (Budiarani & Nugroho, 2023). According to Mahliza and Aditantri (2022), halal certification positively affects consumer trust, and trust positively affects consumers' intention to purchase halal products. In addition, halal certification also positively affects consumers' intention to purchase halal products.

According to the literature review results, the following hypothesis was formed.

**H<sub>4</sub>:** Consumer trust toward halal products has a positive effect on the intention to purchase halal-certified products.

## *Perceived Quality*

Quality, as a complex concept, is one of the most extensively researched concepts in marketing. Some definitions in the literature address the concept of quality in the context of the product while others evaluate the concept from consumers' perspectives. Zeithaml (1988) broadly defined quality as superiority or excellence and categorized into actual and perceived quality. Actual quality refers to consumers' evaluations of a product's technical characteristics and concerns how well the product meets consumers' expectations. Perceived quality encompasses the judgments formed in the minds of consumers about a product.

The literature indicates that a halal product is a critical factor for Muslims when choosing a product (Hassan & Pandey, 2020). The findings of the studies reveal that the perception of quality toward the halal-certified products positively influences consumers' intention to purchase these products (Ali et al., 2018; Farhan & Rabbani, 2021; Jaiyeoba et al., 2020; Parvin Hosseini et al., 2020). Contrary to this, some studies in the literature have determined that the quality of halal products could be more practical and directly influence consumer purchase intention (Lutfie et al., 2015; Shakil & Majeed, 2018).

Based on the findings of previous studies, the following hypothesis is proposed:

**H<sub>5</sub>:** Consumers' perceptions of the quality of halal products positively influence purchase intention.

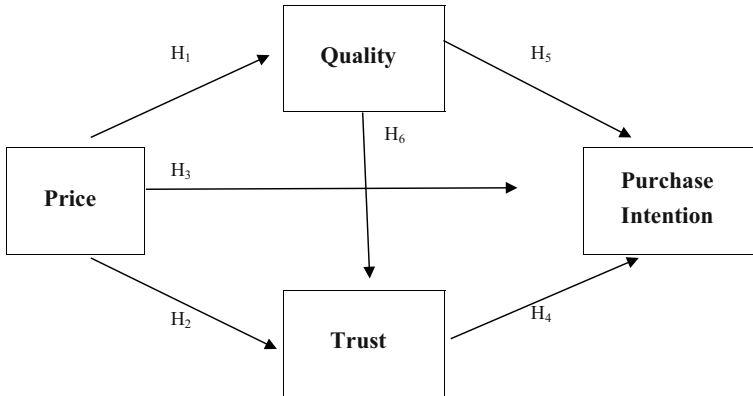
Trust in halal products is considered essential by consumers for religious reasons (Konuk, 2018). As long as the ingredients of halal products comply with religious rules, they are deemed high quality and reliable. The literature indicates that the halalness of a product or service is a critical factor in building trust (Hassan & Pandey, 2020; Suhartanto et al., 2022). Various studies suggest that product quality is associated with consumer trust (Aurier & De Lanauze, 2012; Liang et al., 2020).

In this study, it is proposed that the quality of halal products will enhance trust in halal products. Based on this, the following hypothesis is proposed (Fig. 1).

**H<sub>6</sub>:** The perceived quality of halal products has a positive effect on consumer trust in halal products.

## *Research Method*

Previous research on halal products has approached the topic from various perspectives. Arguably, the perception of the cost of halal items is the subject that has received the least amount of research in these studies. From this perspective, the primary goal of this study is to determine how the pricing perception of halal products influences consumer intention to purchase halal goods. Another objective of the study is to understand how perceptions of price affect perceptions of quality and trust for halal



**Fig. 1** Research model

products and how perceptions of quality and trust influence consumers' intentions to buy halal products.

Participants were sent an online version of the research questionnaire to gather information. A 5-point Likert-type scale was used for the perceived price, trust, perceived quality, and purchase intention scales in the study [(1) strongly disagree, (2) disagree, (3) neither agree, neither disagree, (4) agree, (5) strongly agree]. In addition, inquiries were made to gather participants' demographic details. Within the scope of the research, 404 data were collected, but after eliminating erroneous answers to the control questions, 340 data were used in the analysis. Confirmatory factor analysis was performed on the obtained data, followed by the use of structural equation modeling to test the hypotheses.

The trust scale (5 items) and purchase intention scale (6 items) which were used in the study were adapted from Handriana et al. (2021). The quality perception scale (5 items) was adapted from Ali et al. (2021). The price perception scale (4 items) was adapted from Han and Ryu's (2009) study.

## Results

### *Demographic Characteristics*

The average age of the participants in the study was 34.88. The sample consisted of 59.7% females and 40.3% males. Regarding the marital status, approximately, 60% of the participants were married. Almost 53% of the respondents were graduated from a university. In terms of income, about 73.8% had a monthly income under 20.000 TL (approximately \$ 1.000).



When the purchasing status of halal products is examined, 92.9% of the respondents buy halal-certified products. 68.2% of the participants are familiar with the halal certificate logo.

### ***Confirmatory Factor Analysis***

In this study, a two-step procedure was applied to analyze the data. Before testing the proposed hypotheses, 20-item four-factor measurement model was examined in terms of validity and reliability with confirmatory factor analysis. Then, the hypotheses were tested with a structural equation model.

The measurement model fit indices as depicted in Table 1 reveal that the model fits the data well (Hair et al., 2019). The reliability measures are at an acceptable level (Cronbach alphas: intention = 0.961; perceived quality = 0.887; consumer trust = 0.913; perceived price = 0.894). Table 1 shows that all of the constructs' items have a loading factor value higher than 0.7.

**Table 1** Factor loadings and measurement model results

Items and factors	Std. factor loadings	S.E	C.R	<i>P</i>
Halal products purchase intention ( $\alpha = 0.961$ )				
Intention1	0.930			
Intention2	0.940	0.031	33.158	***
Intention3	0.913	0.035	29.646	***
Intention4	0.908	0.035	29.085	***
Intention6	0.849	0.038	24.166	***
Perceived quality ( $\alpha = 0.887$ )				
Quality1	0.867			
Quality2	0.904	0.047	21.227	***
Quality3	0.785	0.050	17.308	***
Consumer trust ( $\alpha = 0.913$ )				
Trust2	0.944			
Trust3	0.905	0.034	29.163	***
Trust5	0.809	0.042	21.330	***
Perceived price ( $\alpha = 0.894$ )				
Price1	0.961			
Price2	0.841	0.084	10.691	***
Measurement model fit indices				
$\chi^2/df = 1.702$ ; CFI = 0.991; NFI = 0.977; TLI = 0.987; GFI = 0.959; RMSEA = 0.045; RMR = 0.024				

\*\*\*mean: Significant

**Table 2** Validity analysis

	CR	Ave	Intention	Quality	Trust	Price
Intention	0.959	0.825	0.908			
Quality	0.889	0.729	0.575***	0.854		
Trust	0.917	0.788	0.845***	0.705***	0.888	
Price	0.898	0.816	0.347***	0.360***	0.412***	0.903

\*\*\*mean: Significant

**Table 3** HTMT analysis

	Intention	Quality	Trust	Price
Intention				
Quality	0.581			
Trust	0.849	0.730		
Price	0.343	0.369	0.430	

Average variance extracted (AVE), composite reliability (CR), and factor loadings for convergent validity were examined. According to Hair et al. (2019), for convergent validity, AVE should be higher than 0.5, and CR and factor loadings should be higher than 0.7. The results of the analyses in Tables 1 and 2 indicate that the convergent validity measures are acceptable level. (We used Gaskin's Validity Plugins to calculate AVE, CR, Fornell Larcker Criterion, and HTMT Ratio).

For discriminant validity, Fornell Larcker Criterion and Heterotrait and Monotrait (HTMT) Ratio were considered. In Fornell Larcker Criterion table, the bold numbers on the diagonal are the square root of the AVEs, and these numbers should be larger than the correlation coefficients (Hair et al., 2019). Upon examining Table 2, it is examined that it is evident that the square roots of AVEs are larger than the correlation coefficients for all factors. Additionally, HTMT Ratio values used for the discriminant validity are provided in Table 3. In the HTMT analysis, the coefficients of the factors should be less than 0.90 (Hair et al., 2019). The HTMT Ratio coefficients range between 0.343 and 0.849. According to Fornell Larcker and HTMT analysis, the scales meet the conditions for discriminant validity.

### ***Testing the Hypotheses***

After supporting the validity and reliability of the measurement model, the proposed hypotheses were tested with structural equations modeling using AMOS.

Fit indices of the structural equations model meet the recommended values ( $\chi^2/df = 1.702$ ; CFI = 0.991; NFI = 0.977; TLI = 0.987; GFI = 0.959; RMSEA = 0.045; RMR = 0.024). Standardized estimates and their significance between the relevant constructs are depicted in Table 4.

**Table 4** Structural model analysis

Variables	Std. regression weights	S.E	C.R	<i>P</i>	Result		
Quality	←	Price	0.360	0.057	5.538	***	Supported
Trust	←	Price	0.182	0.045	3.818	***	Supported
Intention	←	Price	0.002	0.035	0.043	0.966	Not supported
Intention	←	Trust	0.872	0.058	14.486	***	Supported
Intention	←	Quality	- 0.040	0.057	- 0.730	0.466	Not supported
Trust	←	Quality	0.639	0.057	12.181	***	Supported

\*\*\*mean: Significant

H<sub>1</sub>, H<sub>2</sub>, and H<sub>3</sub> suggest that perceived price has a positive impact on perceived quality, trust, and intention. The standardized regression coefficients revealed that perceived price is significantly and positively related to perceived quality ( $\beta = 0.360, p = 0.001$ ), and trust ( $\beta = 0.182, p = 0.001$ ). H<sub>1</sub> and H<sub>2</sub> were supported, but the results of the analysis demonstrated that perceived price has not a significantly positive effect on halal product purchase intention ( $\beta = 0.002, p = 0.966$ ). This result does not confirm H<sub>3</sub>.

H<sub>4</sub> formulates that consumer trust is precursor to halal product purchase intention. The significant positive relationship was also found between consumer trust and intention ( $\beta = 0.872, p = 0.001$ ). Hence, H<sub>4</sub> was also accepted.

H<sub>5</sub> and H<sub>6</sub> state that perceived quality is a predictor of consumer trust and intention. The results of the structural equations model revealed that perceived quality ( $\beta = 0.24, p = 0.001$ ) has a significantly positive effect on consumer trust. Hence, H<sub>6</sub> was confirmed, but the significantly positive relationship was not found between perceived quality and intention ( $\beta = -0.040, p < 0.001$ ). Hence, H<sub>5</sub> was not accepted.

## Discussion and Conclusions

The preference of Muslims for halal products reflects their religious beliefs, and many Muslims emphasize the importance of living by these principles. However, choosing halal products is an individual decision for every Muslim, and everyone acts according to their beliefs and values. The findings of this study addressed potential indicators that likely influence the purchase intention of halal products. Three critical factors, namely the price of halal products, quality, and trust in halal products, showed different results in the developed model structure.

Firstly, the price affects the perceived quality and trust of halal products positively and significantly, but it does not affect purchase intention. Behaviors are good predictors of intention. This effect has been confirmed in a study conducted in Malaysia

on halal products (Lada et al., 2010). Quality is crucial in determining the price that customers pay (Zhu et al., 2021). For consumers, price and quality are distinct factors that affect each other (Pappas, 2017). Zhu et al. (2022) showed that the price-sensitive consumers consider product quality. This positive effect of price on quality was also emphasized in the studies of Verbeke et al. (2013) and Isa et al. (2018). Consistent with the literature, our results indicate that Muslim consumers are willing to pay a specific price for quality halal products. In Turkey, while consumers prefer quality halal products, price, in addition to religious and ethical reasons, plays a decisive and essential role in quality perception. The quality of halal products must meet both the halal certification requirements and general quality standards. To obtain a halal certification, it is necessary to document that the product's production process complies with Islamic rules. This process may involve specific requirements and inspections, which can sometimes increase the production cost. Additional procedures and specific materials may be necessary to meet Islamic requirements, influencing the cost and prices of the products. Price is an important factor affecting consumers' trust (Hong et al., 2019; Pappas, 2017). Al-Ansi and Han's (2019) study on hotels that offer halal services in South Korea showed a relationship between price and trust. A study conducted with Muslims who value halal products found that perceived price positively and significantly affects trust (Jeaheng et al., 2020). Results may vary due to factors such as consumer perceptions, cultural differences, and market dynamics. Halal products are believed to comply with halal food standards and undergo certification to ensure their adherence. As a result, consumers may perceive them as subject to stricter scrutiny and offer a more trustworthy and transparent production process. This perception can lead consumers to be willing to pay higher prices for halal-certified products and consider them of higher quality. Halal products are produced and consumed according to Islamic rules and principles. The importance of adhering to these principles and possessing a halal certification is significant for consumers who choose to consume halal products based on their religious beliefs. These religious and ethical values can contribute to consumers attributing higher value to halal products and, consequently, being willing to pay higher prices. Consumers may perceive halal products as being of higher quality and healthier. It is believed that halal products are produced according to specific standards and contain safe components in terms of health. Therefore, consumers may perceive halal products as being of higher quality and healthier, making them willing to pay higher prices. Some studies in the literature (Hong et al., 2019; Jeaheng et al., 2020; Polas et al., 2020) have shown that the price perceived by Muslim consumers for halal products positively affects their purchase intentions, while other do not (Isa et al., 2018). The findings in our study show that price does not significantly affect the intention to purchase halal products. The effect of price on purchase intention in our study may be due to the limited availability of halal products in Turkey. This result is partially different from the literature because Turkish Muslim consumers prioritize trust and quality over price when they want to buy halal products.

Secondly, trust in halal products positively and significantly affects purchase intention (Al-Ansi et al., 2019; Handriana et al., 2021; Zakaria et al., 2015). The findings obtained in our study show that consumers' trust in halal products has a positive

effect on purchase intention and confirms the literature findings. Trust in halal products is associated with Muslim consumers' desire to purchase products that comply with their religious beliefs and values. Halal-certified products are believed to meet Islam's accepted standards, ensuring they are suitable for religious requirements.

Thirdly, the findings in our study show that perceived quality positively and significantly affects trust in halal products but does not affect purchase intention. In some studies in the literature, it has been found that halal product quality affects intention (Ali et al., 2017; Maichum et al., 2017; Nurhasanah & Hariyani, 2017), while in others it does not (Aziz & Chok, 2013). Some consumers may believe that halal certification is separate from the quality of the product. Therefore, rather than positively influencing the overall quality of halal products, personal perceptions and biases may be more effective in determining purchase intention. In addition, it may have yet to capture the halal product quality perceived by the participants fully. Because the most fundamental aspect of halal product quality is trust, a factor that attracts significant public attention. Therefore, consumers may not see the quality of halal products as a determining factor for their purchasing decisions. Other characteristics, such as whether halal certification meets religious requirements or is compatible with ethical considerations, may be more decisive for consumers. In this case, their perception of the quality of halal products may have less of an impact on their purchase intention. On the other hand, in some studies in the literature, it has been found that halal trust affects intention (Al-Ansi et al., 2019; Zakaria et al., 2015). Confidence in halal products increases consumers' belief in the quality and reliability of the products. Assuring that halal-certified products meet specific standards helps consumers believe that these products are of good quality and reliable.

Research on halal products varies, and different results are obtained in different countries. Therefore, it is crucial to conduct more research on this subject and examine the effects on consumer perceptions in different cultures, geographies, and product categories. This study confirms that Muslim consumers in Turkey attach high importance to halal products. In particular, trust in halal products highly affects the purchasing tendency of consumers interested in halal products in Turkey.

### ***Theoretical Implications***

Understanding Muslim consumers' perceptions of halal products is essential in academia. In terms of theoretical implications, to the best of our knowledge, this research is a pioneering study in its examination of price, quality, trust, and purchase intention for halal products from the perspective of Muslim consumers. The study contributes to the literature by considering the elements of price, quality, and trust in the perception of halal products, a field with limited scientific studies. It enhances understanding of consumer preferences for halal products from various perspectives. While previous research has somewhat confirmed consumers' perceptions of halal products, this study expands the understanding of Muslim consumers' perspectives,

particularly in Turkey. It aims to fill gaps in consumer behavior and marketing literature regarding the relationship between quality, price, trust factors, and purchase intention of halal products. Our research contributes to the existing literature by conducting an experimental study to evaluate the perception of halal products, their quality and price, and the relationship between trust and purchase intention.

Moreover, our findings will assist both Islamic and traditional marketing literature in predicting future halal product purchasing decisions, thereby helping fill the knowledge gap in the literature on halal food products. In addition, our study can inspire research on the impact of halal certification and standards on consumers. Scholars could explore issues such as the reliability halal certification processes, consumer responses to these certifications, and the establishment of quality standards for halal products. In conclusion, our research contributes to understanding of Islamic halal product marketing and consumer behavior.

### ***Practical Implications***

The study is expected to guide companies in understanding the perceptions developed against halal products. Because companies want to include consumers who have become conscious of the final purchasing process of halal products in recent years. The results obtained from the study reveal functional implications for halal product companies and halal food marketers. Moreover, practical results will guide decision-makers for policies that can be followed in purchasing strategies for Turkey's growing halal product market. We found that the element of trust has a substantial direct effect on the intention to purchase halal products. Consumers who purchase halal products may place importance on trust for several reasons. Halal products are produced or prepared following Islamic religious rules. The halal certification verifies that the product complies with Islamic regulations and assures consumers that it aligns with their religious beliefs. Therefore, consumers trust and prefer halal-certified products. Halal products undergo inspections and certifications to ensure compliance with specific standards during production. These inspections demonstrate that the products meet quality and reliability standards. Consumers trust halal-certified products, believing they adhere to high-quality and safety standards. From this point of view, it would be beneficial for market-leading companies to prioritize consumer trust. Marketers should focus on strategies that enhance consumer trust, such as prominently displaying halal certifications and accreditations. Transparent communication about quality control measures and the production process, aligned with Islamic regulations, can further strengthen trust. Consumer testimonials and positive feedback can be powerful tools to reinforce the credibility of halal products.

Contrary to existing literature, this study suggests that perceived price does not significantly affect the intention to purchase halal products in the Turkish market. This may be attributed to the limited availability of halal products in Turkey, with consumers prioritizing trust and quality. Marketers should consider this when devising pricing strategies, ensuring the perceived value and quality align with

consumer expectations. When marketing halal products, marketers can highlight the price, consumer trust, and perceived quality elements in the following ways. Since consumers want to feel secure when purchasing halal products, marketers should display the product's halal certifications and accreditations. This instills confidence in consumers and can influence their purchasing decisions. In addition, marketers should emphasize that halal products are high quality and reliable. This can include aspects such as the product's production process, the materials' quality, and production standards. Marketers can capitalize on this by emphasizing the value proposition of their halal products, ensuring that the perceived quality justifies the price. Transparent communication about the production process and adherence to Islamic rules can strengthen consumer trust and explain the price point.

The study indicates that perceived quality positively affects consumer trust but does not directly impact purchase intention. This suggests that, while consumers value quality in halal products, other factors may be more influential in their purchasing decisions. Marketers should focus on creating a narrative around the stringent quality standards adhered to in halal product production. Highlighting the alignment with Islamic regulations and the reliability of the certification process can reinforce the perceived quality and, consequently, build trust. Indicating that halal products are carefully selected and undergo quality control measures can enhance consumer trust. Providing transparent and comprehensive information about the product to consumers is crucial. Marketers can share details such as how the halal certification was obtained, the stages involved in the production process, the sources of materials used, and the inspections conducted during the production. This helps consumers become more informed about the product, increasing their trust. From a different perspective, marketers can effectively promote halal products by aligning their marketing messages with the values and expectations of the target audience. The choice of communication tools and channels can emphasize the contributions of halal products to health, nature, social responsibility, or sustainability. Customer testimonials and positive feedback can support the credibility of halal products. Marketers can encourage customers to share their experiences and satisfaction or leverage genuine user reviews on platforms like social media. Finally, the prices of halal products play a significant role in consumers' trust and quality. Marketers should highlight that the prices of halal products are competitive and align with their perceived quality and reliability. These strategies can help marketers emphasize halal products' price, consumer trust, and perceived quality. However, it is essential to conduct market research and adapt these strategies based on the specific market and target audience, as preferences may vary.

## **Limitations and Future Studies**

The study's sample was limited to Turkey, and conducting a similar study in other parts of the world would expand the literature, for his very reason results may differ in other cultural contexts. Additionally, the study does not delve into specific market

segments among consumers interested in halal products, and further research could explore variations in responses among different consumer groups. As the availability of Halal products is quite broad, consumers in Turkey often have many options. Therefore, we generalize our findings to the Muslim population living in Turkey.

Conducting similar studies in diverse cultural contexts would contribute to a more comprehensive understanding of consumer perceptions of halal products globally. Future research could investigate different market segments among consumers interested in halal products. Understanding how various groups respond to factors like price, quality, and trust can guide targeted marketing strategies. Investigate the impact of halal products on brand loyalty. Assess how factors like price, quality, and trust contribute to consumers developing loyalty to halal brands. Extend the geographical scope of research to include regions with varying degrees of halal product availability. This could provide insights into how market dynamics impact consumer preferences. Conduct longitudinal studies to observe changes in consumer perceptions over time. This would be particularly relevant as awareness of halal products continues to grow globally. On the other hand, there may be different market segments among consumers who are interested in halal products. These results can guide academics to divide consumers into different groups and examine how each group responds to price, quality, and trust. Future research endeavor are necessary to build upon these findings and provide a more nuanced understanding of consumer behavior in diverse contexts. Moreover, consumers developing brand loyalty through factors such as price, quality, and trust can also be investigated. Academics can assess the impact of halal products on brand loyalty and conduct studies to understand consumers' tendencies to associate with halal brands.

## References

- Alam, S. S., & Sayuti, N. M. (2011). Applying the theory of planned behavior (TPB) in halal food purchasing. *International Journal of Commerce and Management*, 21(1), 8–20.
- Al-Ansi, A., & Han, H. (2019). Role of halal-friendly destination performances, value, satisfaction, and trust in generating destination image and loyalty. *Journal of Destination Marketing and Management*, 13, 51–60.
- Al-Ansi, A., Olya, H. G., & Han, H. (2019). Effect of general risk on trust, satisfaction, and recommendation intention for halal food. *International Journal of Hospitality Management*, 83, 210–219.
- Ali, A., Ali, A., & Sherwani, M. (2017). Shaping halal into a brand? Factors affecting consumers' halal brand purchase intention. *Journal of International Food and Agribusiness Marketing*, 29(3), 234–259.
- Ali, A., Sherwani, M., Ali, A., Ali, Z., & Sherwani, M. (2021). Investigating the antecedents of halal brand product purchase intention: An empirical investigation. *Journal of Islamic Marketing*, 12(7), 1339–1362.
- Ali, A., Xiaoling, G., Sherwani, M., & Ali, A. (2018). Antecedents of consumers' Halal brand purchase intention: An integrated approach. *Management Decision*, 56(4), 715–735.
- Alserhan, B. A., Zeqiri, J., Ramadani, V., & Dana, L. P. (2022). Halal industry: threats and barriers. In: Alserhan, B. A., Ramadani, V., Zeqiri, J., & Dana, L. P. (Eds.), *Strategic Islamic marketing. Contributions to management science*. Springer.



- Aurier, P., & De Lanauze, G. (2012). Impacts of perceived brand relationship orientation on attitudinal loyalty: An application to strong brands in the packaged goods sector. *European Journal of Marketing*, 46(11/12), 1602–1627.
- Aziz, Y. A., & Chok, N. V. (2013). The role of Halal awareness, Halal certification, and marketing components in determining Halal purchase intention among non-Muslims in Malaysia: A structural equation modeling approach. *Journal of International Food and Agribusiness Marketing*, 25(1), 1–23.
- Baran, T. (2021). A literature review and classification of the studies on “halal” in Islamic business journals (2010–2018). *Journal of Islamic Marketing*, 12(5), 1012–1024.
- Budiarani, V. H., & Nugroho, S. S. (2023). Determining factors affecting Muslim customer purchase intention to shop skincare online: A study in Indonesia. In V. Ramadani, B. Alserhan, L. P. Dana, J. Zeqiri, H. Terzi, & M. Bayirli (Eds.), *Research on Islamic business concepts. GIMAC 2022. Springer proceedings in business and economics*. Springer.
- Cho, Y. S., Rha, H. S., & Burt, S. (2015). The impact of customer awareness of manufacturer name disclosure on retail brand attitudes and loyalty in Korea. *Journal of Retailing and Consumer Services*, 22, 128–137.
- Chong, S. C., Yeow, C. C., Low, C. W., Mah, P. W., & Tung, D. T. (2022). Non-Muslim Malaysians’ purchase intention towards halal products. *Journal of Islamic Marketing*, 13(8), 1751–1762.
- Farah, M. F. (2021). Consumer perception of Halal products: An empirical assessment among Sunni versus Shiite Muslim consumers. *Journal of Islamic Marketing*, 12(2), 280–301.
- Farhan, F., & Rabbani, J. A. (2021). Factors affecting Muslim students repurchase intention of Halal food in Yogyakarta, Indonesia. *BILTURK the Journal of Economics and Related Studies*, 3(1), 28–39.
- Fauzi, M. A. (2023). Consumer purchase of halal certified product: A quantitative systematic literature review. *Journal of Islamic Marketing*, 14(6), 1397–1416.
- Garbarino, E., & Lee, O. F. (2003). Dynamic pricing in internet retail: Effects on consumer trust. *Psychology and Marketing*, 20(6), 495–513.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2019). *Multivariate data analysis* (8th ed.). Cengage Learning EMEA.
- Halimi, F. F., Gabarre, S., Rahi, S., Al-Gasawneh, J. A., & Ngah, A. H. (2022). Modelling Muslims’ revisit intention of non-halal certified restaurants in Malaysia. *Journal of Islamic Marketing*, 13(11), 2437–2461.
- Han, H., & Ryu, K. (2009). The roles of the physical environment, price perception, and customer satisfaction in determining customer loyalty in the restaurant industry. *Journal of Hospitality and Tourism Research*, 33(4), 487–510.
- Handriana, T., Yulianti, P., Kurniawati, M., Arina, N. A., Aisyah, R. A., Aryani, M. G. A., & Wandira, R. K. (2021). Purchase behavior of millennial female generation on halal cosmetic products. *Journal of Islamic Marketing*, 12(7), 1295–1315.
- Hassan, Y., & Pandey, J. (2020). Examining the engagement of young consumers for religiously sanctioned food: The case of halal food in India. *Young Consumers*, 21(2), 211–232.
- Hong, M., Sun, S., Beg, R., & Zhou, Z. (2019). Determinants of halal purchasing behaviour: Evidences from China. *Journal of Islamic Marketing*, 10(2), 410–425.
- Isa, S. M., Chin, P. N., & Mohammad, N. U. (2018). Muslim tourist perceived value: A study on Malaysia Halal tourism. *Journal of Islamic Marketing*, 9(2), 402–420.
- Jaiyeoba, H. B., Abdullah, M. A., & Dzuljastri, A. R. (2020). Halal certification mark, brand quality, and awareness: Do they influence buying decisions of Nigerian consumers? *Journal of Islamic Marketing*, 11(6), 1657–1670.
- Jeaheng, Y., Al-Ansi, A., & Han, H. (2020). Impacts of Halal-friendly services, facilities, and food and beverages on Muslim travelers’ perceptions of service quality attributes, perceived price, satisfaction, trust, and loyalty. *Journal of Hospitality Marketing & Management*, 29(7), 787–811.
- Joo, J. (2015). Roles of the buyer’s trust in seller in posted-price model of consumer to consumer E-commerce. *Journal of Theoretical and Applied Electronic Commerce Research*, 10(3), 30–44.

- Konuk, F. A. (2018). The role of store image, perceived quality, trust and perceived value in predicting consumers' purchase intentions towards organic private label food. *Journal of Retailing and Consumer Services*, 43, 304–310.
- Lada, S., Tanakinjal, G. H., & Amin, H. (2010). Predicting intention to choose halal products using theory of reasoned action. *International Journal of Islamic and Middle Eastern Finance and Management*, 3(1), 66–76.
- Liang, X., Hu, X., & Meng, H. (2020). Truly sustainability or hypocrisy: The effects of corporate sustainable orientation on consumers' quality perception and trust based on evidence from China. *Sustainability*, 12, 2735.
- Lutfie, H., Suzanti, E. P. P., Sharif, O. O., & Alamanda, D. T. (2015). Which is more important? Halal label or product quality. In *Proceedings of the 3rd international seminar and conference on learning organization* (pp. 224–229). Atlantis Press.
- Mahliza, F., & Aditantri, R. (2022). Consumption behavior of halal cosmetic products: The mediating role of trust on the effect of halal certification on purchase intention. *Journal of Economics, Finance and Management Studies*, 5(1), 228–239.
- Maichum, K., Parichatnon, S., & Peng, K. (2017). The influence of attitude, knowledge and quality on purchase intention towards halal food: A case study of young non-Muslim consumers in Thailand. *International Journal of Management and Social Sciences*, 6(3), 354–364.
- Mohamed, Z., Razai, G., Shamsudin, M. N., & Chiew, E. F. C. (2008). Halal logo and consumers' confidence: What are the important factors. *Economic and Technology Management Review*, 3(1), 37–45.
- Mukhtar, A., & Butt, M. M. (2012). Intention to choose halal products: The role of religiosity. *Journal of Islamic Marketing*, 3(2), 108–120.
- Naem, S., Ayyub, R. M., Ishaq, I., Sadiq, S., & Mahmood, T. (2020). Systematic literature review of halal food consumption-qualitative research era 1990–2017. *Journal of Islamic Marketing*, 11(3), 687–707.
- Nurhasanah, S., & Hariyani, H. F. (2017). Halal purchase intention on processed food. *Tazkia Islamic Finance and Business Review*, 11(2), 187–209.
- Ozkan, B. (2022). Awareness, perception, attitude and expectations of university students towards halal food. *KAUIIBFD*, 13(25), 129–159.
- Pappas, N. (2017). Effect of marketing activities, benefits, risks, confusion due to over-choice, price, quality and consumer trust on online tourism purchasing. *Journal of Marketing Communications*, 23(2), 195–218.
- Parvin Hosseini, S. M., Mirzaei, M., & Iranmanesh, M. (2020). Determinants of Muslims' willingness to pay for halal certified food: Does religious commitment act as a moderator in the relationships? *Journal of Islamic Marketing*, 11(6), 1225–1243.
- Polas, M. R. H., Raju, V., Hossen, S. M., Karim, A. M., & Tabash, M. I. (2020). Customer's revisit intention: Empirical evidence on Gen-Z from Bangladesh towards halal restaurants. *Journal of Public Affairs*, 12, e2527.
- Pradana, M., Wardhana, A., Rubiyanti, N., Syahputra, S., & Utami, D. G. (2022). Halal food purchase intention of Muslim students in Spain: Testing the moderating effect of need for cognition. *Journal of Islamic Marketing*, 13(2), 434–445.
- Rehman, A., & Aisha, N. (2023). Exploring Muslim millennial travelers' attitude toward Halal tourism in India. In V. Ramadani, B. A. Alserhan, L. P. Dana, J. Zeqiri, H. Terzi, & M. Bayirli (Eds.), *Research on Islamic business concepts. GIMAC 2021. Springer proceedings in business and economics*. Springer.
- Secinaro, S., & Calandra, D. (2021). Halal food: Structured literature review and research agenda. *British Food Journal*, 123(1), 225–243.
- Shakil, S., & Majeed, S. (2018). Brand purchase intention and brand purchase behavior in halal meat brand. *Journal of Marketing and Logistics*, 1, 152–171.
- Sirdeshmukh, D., Singh, J., & Sabol, B. (2002). Consumer trust, value, and loyalty in relational exchanges. *Journal of Marketing*, 66(1), 15–37.

- Suhartanto, D., Djatnika, T., Suhaeni, T., & Setiawati, L. (2022). Halal trust during the COVID-19 outbreak: The role of quality, perceived benefit and health risk evidence from mobile food purchasing. *Journal of Islamic Accounting and Business Research*, 13, 546.
- Varki, S., & Colgate, M. (2001). The role of price perceptions in an integrated model of behavioral intentions. *Journal of Service Research*, 3(3), 232–240.
- Verbeke, W., Rutsaert, P., Bonne, K., & Vermeir, I. (2013). Credence quality coordination and consumers' willingness-to-pay for certified halal labelled meat. *Meat Science*, 95(4), 790–797.
- Wilson, J., & Liu, J. (2010). Shaping the halal into a brand? *Journal of Islamic Marketing*, 1(2), 107–123.
- Yunos, R. M., Zakaria, N. B., & Mahmood, C. F. C. (2017). *Trustworthiness of halal products among Muslim consumers*. University Technology Mara.
- Zakaria, Z., Salim, M. R., Ahmad, Z., Haini, F., Ahmad, M., & Kamaludin, M. A. (2015). Trust as a mediator in determining customers purchase intention of halal frozen food. *International Academic Research Journal of Social Science*, 1(2), 283–289.
- Zeithaml, V. A. (1988). Consumer perceptions of price, quality, and value: A means-end model and synthesis of evidence. *Journal of Marketing*, 52(3), 2–22.
- Zhu, G., Zhang, J., Xing, E., & Han, D. (2022). Pricing and quality decisions with conspicuous consumers. *Transportation Research Part e: Logistics and Transportation Review*, 165, 102857.
- Zhu, H., Yu, Y., & Ray, S. (2021). Quality disclosure strategy under customer learning opportunities. *Production and Operations Management*, 30(4), 1136–1153.
- <https://www.imarcgroup.com/halal-food-market>

**Bekir Ozkan** has a Bachelor's degree in business administration. He also received his Master's and Ph.D. degrees in business administration. He works in the field of marketing, and consumer behavior. He works at Bursa Technical University, Department of Business Administration. He wrote his doctoral thesis on consumer behavior toward halal food consumption. He works in the same field.

**Ibrahim Halil Efendioglu** has a Ph.D. in business administration from Hasan Kalyoncu University. He is currently a lecturer at Gaziantep University. His articles were published in distinguished journals, including the International Journal of Emerging Markets (SSCI) and the Review of Marketing Science (Scopus). His research and teaching interests include digital marketing and consumer behavior.

**Tamer Baran** has Ph.D. degree in General Business and works as an Assoc. Prof. at Pamukkale University, Kale VS, Travel-Tourism and Entertainment Department. His specifications are marketing research, brand management, Islamic marketing, and consumer behavior. He has several publications in British Food Journal, Journal of Islamic Marketing, and Journal of Islamic Accounting and Business Research.

**Fatih Koc** has a Ph.D. degree in Marketing. He works as an Assoc. Prof. at Kocaeli University Business Faculty. His research interests are marketing, consumer behavior, and corporate social responsibility. His articles were published in SSCI-indexed journals.

# The Souls of Man: Marketing and the Welfare of Man



P. Sergius Koku, Pierre Celestin Mubarak Bimenyimana,  
and Charmant Ndereyimana Sengabira

**Abstract** This study uses narrative theory to examine how a subject's (men and women) reflection upon welfare on life in this world and life after death, without any proselytization, converts from Catholicism, which was a religion of his birth, to Islamism which is a religion of his choice. While narrative principle, in of itself, does not generate theories, it does bring meaning to some consumers' life. Using it to analyze a subject's story does not only generate insight, but it demonstrates how logic and facts can be given a new metaphor for personal relevance.

**Keywords** Souls of man · Marketing · Catholicism · Islamism · Narrative theory

## Introduction

First, it must be understood that while the title of this paper simply uses the term “man” and “his welfare,” the subject of the paper and its discussion refer to all human beings, both men and women. The choice of the topic was out of its simplicity. Marketing in its original form concerns exchanges (Bagozzi, 1975); however, different forms of marketing emerged during the last 40 years which deal with services marketing (Berry, 1981; Zeithaml et al., 1988), co-production (Prahalad & Ramaswamy, 2004), co-creation of value (Normann & Ramirez, 1993), religious marketing (Kartal et al., 2015; Olsen, 2003; Wrenn, 2010), and Islamic marketing (Haq & Yin Wong, 2010; Bayirli et al., 2023).

Marketing literature, in pursuing the exchange of values between consumers and production makers, devotes special attention to what consumers consider before purchases, or what attracts consumers to a brand (good and services) (Kapferer, 2004; see also Terzi, 2022). Admittedly, consumption by nature is about welfare

---

P. S. Koku (✉)

Florida Atlantic University and Fulbrighter, University of Rwanda, Kigali, Rwanda  
e-mail: [koku@fau.edu](mailto:koku@fau.edu)

P. C. M. Bimenyimana · C. N. Sengabira  
University of Rwanda, Kigali, Rwanda

of the consumers (Ganelli & Terval, 2010; Slesnick, 2005; Terzi, 2022); however, consumption and welfare go beyond the discipline of marketing into such areas as sociology (Delener, 1994; Iannaccone, 1992; Phillips, 1998), philosophy (Beverland et al., 2017; Shankar et al., 2010), and even social welfare (Peattie & Peattie, 2010).

Even though the traditional marketing areas still focused on welfare as *Homo sapiens*, there are now several aspects of marketing that deal with religious or religion marketing (Bayirli et al., 2023; McDaniel, 1986; Moncrief et al., 1986; Mottner, 2008; Olsen, 2003). The welfare in scholarship religion does not necessarily concern living from day to day, but also includes life after an individual has departed this world. To this, one could argue that the welfare of one's soul is also important as the welfare of the body (Cole et al., 2009). Hence, an argument could be made that religious marketing, whether it speaks to people living better in this world (Çavdar, 2016), donate money to churches (Kashif & De Run, 2015), or proselytizing are also as much of people's welfare in terms of an individual's consumption.

This study uses a narrative discussion of an individual's journey on welfare in this life or consumption, and his welfare after he departs from this world. At 22, this individual converted from Catholicism in. This study uses a narrative discussion of an individual's journey on welfare in this life or consumption, and his welfare after he departs from this world. In his consumption at 22, this individual converted from Catholicism in which he was born to become a Muslim, not because anyone had approached him or preached to him to convert, but because of his thoughts about welfare in this life and in the "world" afterward. His example and several like his show that proselytization is not the only way through which people can be converted from one religion to another. While television and online media have given a new meaning to preaching and evangelism, the insight gained in this discussion can serve to inform not only marketers, but also those who teach religion, and even as laymen that focusing on consumption both in this world and after this world without any pressures to be "dammed or go to hell" can also be a good way to change an individual's heart. The rest of the paper is organized as follows: First, we discussed the extant literature which is followed by the methodology and analysis. Next, we discussed the discussions and conclusion.

## Literature Review

Religion has been used since the beginning of human beings to explain things that cannot be reasonably explained or predicted (Mottner, 2008). There is indeed very little in the world that wields a dominating influence over people's life as religion. For most people, it determines their lifestyles—what they eat, how they behave, their attitude, etc. Because religion serves as a compass that provides direction and meaning for people's lives (Peterson & Roy, 1985; see also Budiarani & Nugroho, 2023), it allows consumers, managers, and even some chief executive officers to determine how they operate, and even predict how others would.

Delener (1994) summarizes the empirical literature on religion, families, and values and determines that it falls into four main categories. The first category describes beliefs and family-related involvement (Glenn & Shelton, 1983; Watson et al., 1990). The second category describes beliefs and its involvement in attitudes (Brinkerhoff & Mackie, 1984; Hartman & Hartman, 1983; Wilcox, 1990). The third category describes transmission of religion through families (Hoge et al., 1982; Richards, 1991), and the fourth category describes religious intermarriages (Dudley & Kosinski, 1990). However, according to Delener (1994), very little attention had been paid to the relationships between religiosity and consumer purchase decisions.

To the best of his knowledge at the time of his research, no study had examined the religious orientation and how it correlates with purchasing roles. Thus, to fill this gap, the author explores the relationships between religiosity and consumer-related marital purchases focusing on Catholic and Jewish families. Delener's research centered on how these two religious-dominated families purchase automobiles. His hypothesis centers on the fact that Catholic families seem to be more patriarchal (Borowski, 1986), whereas Jewish families seemed to be relatively more democratic centered (Loudon & Bitta, 1979). He hypothesized that whereas Catholic households are prone to husband-dominated decision making, Jewish households are prone to syncretic consumer decision making. He offered that for "Catholic and Jewish households, the higher the religious orientation, the greater the occurrence of autonomous consumer decisions," and for "Catholic and Jewish households, the lower the perceived religious affiliation, the greater the occurrence of syncretic consumer decisions." The author collected data from 750 individuals taken from a sample frame containing 1500 well-to-do Catholic and Jewish families living in the North-Eastern part of the USA. These families are individuals who had purchased a new automobile within a year of his research. A usable data of 207 responses were obtained—a rate of 28% which included 131 Catholics and 76 Jews.

Analyses of the results suggest that non-religious households search jointly for information when buying an automobile than families that are religious. Similar results obtained for model of automobiles. Even though the results Analyses of the results suggest that non-religious households search jointly for information when buying an automobile than families that are religious. Similar results were obtained for model of automobiles. Even though the results did not support the hypothesis developed by the researcher, they do however suggest that there is indeed a religious orientation and decision behavior for patterns for the religious. If consumers use religion to dictate their purchases how then do consumers use religion to judge organizations? It is argued that even though consumers expect organizations to profit on their transactions, they also believe that organizations that focus on religion and healthcare marketing must "prioritize and discharge their communal obligations" to the marketplace. The authors using Fiske's Theory of Social Relations and Taboo Trade-offs by Organizations (1991, 1992) suggest that consumers find it morally unacceptable when "communally focused organizations" such as pharmaceuticals and religious organizations use commercial mainstream marketing strategies such as "rebranding or value-based pricing." It is also posited that "moral distress and

consumer backlash” result when organizations engaged in such non-acceptable trade-offs.

By using efficacy of rhetorical justifications, organizations highlight communal aspects of their practices and try to mitigate consumers’ backlash. The authors further posit that organizations “communal justifications become less effective and market-pricing justifications become more effective when consumers are attuned to the persuasive intentions of the organization.” Surveys of two hundred, forty-two adult consumers (57% female; median age = 46 years), and two hundred, thirty-seven undergraduates were conducted to test the authors’ hypothesis. The results suggest that communal-sharing justifications do not necessarily reduce distress for just any drugs, but only when consumers needed to believe that the drug is truly essential. Relative to a market-pricing justification, the “communal-sharing justification assuaged consumer distress due to a price increase of a lifesaving drug but had no effect over the same price increase on a cosmetic drug.”

Peattie and Peattie (2010) also argued that the discipline of marketing provides very little in “conventional marketing theory and practice” as it applies to more sustainable consumption, and educating consumers on welfare. Hence, the authors adapted social marketing to promote more sustainable lifestyles and reductions in consumption. The authors used health-oriented social marketing campaign to demonstrate the sustainability logic underlying their argument and addressing what they perceived as “ingrained forms of consumer behavior and to successfully ‘de-market’ products.”

Many scholars have observed that because consumption has become an overarching construct through which consumers are analyzed, consumer resistance to purchasing through activities such as anti-consumerist behavior, i.e., boycotts (Koku, 2011; Koku et al., 1997), culture-jamming (Harold, 2004; Lekakis, 2017), and de-marketing are now becoming common. These activities have risen to the extent that Izberk-Bilgin (2010) using an interdisciplinary review of “consumer resistance” explored the “historical and discursive constructions of resistance and other key marketing concepts.” The study revealed that there are two patterns in social science which the author called “manipulation and enslavement” and the “agency and empowerment” which reflect how theories of resistance in marketplace occur. He therefore suggested several new directions in which resistance to consumption globally and in emerging markets could be researched. In the current research, we accept his assertion and argue that the consumption should therefore be ethereal, that is to the body (within the world) and also without the body (which is beyond this world).

Over three decades after Delener (1994), Olsen (2003), and Rinallo and Oliver (2019) revisited the need to understanding people’s religious and spiritual expressions in order to gain an enriched insight on their mundane marketplace consumption activities. Rinallo and Oliver proffered that “marketing and consumption studies can shed light on a variety of little-understood phenomena that are prevalent in secularized societies where: both religious organizations and new spiritual movements operate in a competitive marketplace” (Rinallo & Oliver, 2019, p. 1). The authors went further to posit that modern consumers “mix and match values, philosophies, and ideas from

different religious and spiritual traditions” that enabled such issues as globalization, tourism, and immigration and even the internet.

Rinallo and Oliver (2019) scoped how far religiosity has embedded in our modern lives; however, interestingly the authors did not mention anything on how individual’s quest for welfare beyond this life motivates some of them to change religious denominations. If religion has been embedded in globalization and tourism, then it seems likely to us that these same antecedents could very well encourage others to change their religious denomination without necessarily being proselytized; that in essence the subject of this paper.

Interestingly, Olsen (2003) argued that from tourism perspective, religion is simply being considered as a component of heritage, as such religious sites both “natural and built” are being transformed into heritage attractions with marketing efforts (Olsen, 2003). This process means that sacred sites are being “transformed from worship and contemplation” to leisure. The financial pressure from countries and religions organizations has led to commodification of religion and religious heritage. This monetization has led to “negative influence of tourism on both the religiosity of local people and on religious ceremonies and rituals (see for example de Sousada, 1993). Other researchers such as Cohen (1988), and Robinson (2001) observed that tourism impacts the religiosity of people by “weakening of the local adherence to religion and of the beliefs in the sacredness and efficacy of holy places, rituals, and customs” (see Cohen, 1988, cited in Olsen, 2003).

Following Olsen (2003), Wright (2008) argued that religious tourism is a new “subset” of religious marketing in which many researchers have either used marketing as an orbit to examine a religious destination or to promote it. For example, Kartal et al. (2015) examine Manisa in Turkey for its potential of religious tourism on the account that it hosts “highly important religious monuments belonging to three major religions, including three of the seven churches mentioned in the Apocalypse section of the Bible” (Kartal et al., 2015, p. 220). The fact that between 300 to 600 million people travel each year around the world for religious and faith objectives (Rundquist, 2010) and spend over \$18 billion makes it an attractive industry for marketers (Wright, 2008).

Iannaccone (1992), in one of the earliest to apply economics to sociology of religion, observed that general language used in the 1990s and asserted that people were discussing the fact that they were “shopping for religion” as though they were “consumers,” looking for “religion” as consumers look for a car to buy. They essentially weighed the “costs and benefits” and evaluated the highest “return on spiritual benefits” before aligning themselves into a religion. In this sense, producers of “religion” are clergies and their churches and “produced” religion as though it is a “commodity” produced by their competitors. While others might dismiss his observation as a “fad,” or never really appreciating “the true nature of religion,” using economics theory or rational choice theory provides a clear understanding of his observation as a new “paradigm for analyzing sociology of religion.



Economists who study how human beings behave with limited means and unlimited desires use homo economicus as an abstraction to explain rational human being's behavior in terms of trade-off (Krugman, 2007). Many who believed in supply-side theory predicted that the rates of religious activity would rise in a pluralist market where churches compete against one another. While Finke and Stark (1988) find support for the supply-side in religious activity in the USA, Breault (1989) did not find any support for the theory.

Phillips (1998) conducted research with data from the Mormon Church in the USA and showed that the patterns in Mormon Church's activity on the contrary refute the supply-side theory. In other words, religious activities do not increase by meeting members' demands.

Secularization hypothesis which is used to describe the theory which states that with developments in economics, and the fact that more people are accessing higher levels of education and increasing urbanization will lead to a Secularization hypothesis which is used to describe the theory which states that with developments in economics, and the fact that more people are accessing higher levels of education and increasing urbanization will lead to a decrease in the demand for religion. It is indicated that the more pleasant this life, the harder it is to concentrate on the next. The more satisfying being human, the harder it is to be mindful of God" (quoted in McBride, 2010). However, in examining religion in an era of economy growth, McBride (2010) using game theoretic approach hypothesizes that economic growth has not led to a decline in religion, but rather a "counteracting effects on religious activity in an open religious market" lead to a decrease in the demand for religion.

In McBride (2010), the term "low tension" is used for denominations that required very little from followers, and the "high tension" for denominations that have strict requirements for their followers. On these bases, McBride (2010) used Hotelling's location in which games "in which individuals' ideal strictness levels are distributed on the unit interval." The individuals choose to affiliate themselves with strictness levels. With this, a religious equilibrium is revealed with religious denominations' sizes, or consumers have no incentive to change behavior.

McBride's used a theory which posits that media richness affects the information processed by the consumer, and reduces "uncertainty and equivocality" in their response to business environments argued that similar equivalency obtains in not-for-profit organizations such as religious organizations. Along with the theory and other studies which showed that given competitive environment and the richer media for communication increase customer loyalty (Vickery et al., 2004), the authors posit that the use of media richness theory by religious organizations in the face of competitions will allow each other to differentiate using personal and non-personal communication channels. The authors collected data between 2006 and 2008 both years inclusive from seven states in India. These data included 568 individuals from Hindu, Muslim, Christian, Sikh, and Jain organization spread over seven states in India.

Analyses of the results suggest two overarching findings. First, if a competitor to an incumbent uses higher non-personal communication channels to try and court audiences of the incumbent, it evokes a retaliatory reaction with analyses of the results suggesting two overarching findings. First, if a competitor to an incumbent uses higher non-personal communication channels to try and court audiences of the incumbent, it evokes a retaliatory reaction with the incumbent. The incumbents increase their personal communication channels. Second, an incumbent who appears to be more responsive to a competitor who increases their non-religious service provision will respond by increasing their non-personal communication channels and by decreasing their personal channels. While this study explains what happens with religious organizations with retaliatory games to keep or in search for audiences, we in the current study are interested in individuals who out of their own welfare choose denominations on their own.

In a study of what happens when an individual ceases to believe in their institutions (religion, etc.), McAlexander et al. (2014) explored how consumers “manage identity reconstruction in the fragmented space that remains when a former institutional pillar of identity no longer carries the legitimacy and authority it once had to structure their lives and self-understandings.” Using data from Mormon religion, the researchers employed a hermeneutical method as well as the “perspective grounded in Bourdieu’s (1986, 1991) theories of fields and capital.” They investigated what people experienced when they no longer held the values of a religious’ institutions and found that in the Mormon Church, religion and consumption are inseparable and followed in Crockett and Wallendorf (2004) or Tuba and Holt (2007) who posited that subcultural ideologies inform consumption, McAlexander et al. (2014) also found that “the opposite is also true: consumption shapes ideology.” The results of their research suggest that the individuals faced crises of identity when they alienate themselves from an institution. However, because they have invested all their energies into the primary institution they become uncomfortable; and yet rebuilding themselves in unfamiliar spaces becomes counterintuitive.

Furthermore, McAlexander et al. (2014) also found using the Mormon data that the “difficult and often futile attempts of some disaffected Mormons to leave the church call attention to serious gaps in the consumer role-transition literature” (p. 873). Researchers in “consumer researcher” are often biased in terms of “forward-facing aspects of joining, acculturating, assimilating, and accumulating status and social capital has left the acts and processes of leaving, by comparison, seriously undertheorized” (McAlexander et al., 2014, p. 873). Interestingly, the isolation and the lack of will to reconstruct his faith was what our subject seemed to have experienced.

How can imagination be used to market religion? Abela asserted using Cocking’s (1991) in which Cocking showed that similar to the great philosophers such as Plato, Aristotle, Kant, Descartes, and Hume using imagination is a constructive way to understand the nature, purpose, and impact of life to analogize that appealing to imagination is a useful way to market religion. Abela (2014) defined the “appealing to imagination” as a type of “marketing communication designed to engage the imagination of the target audience, which presents aesthetic, poetic, and truthful characteristics” (Abela, 2014, p. 51). He furthered that in spite of the fact that “scholarly

interest in the imagination” is being used in other fields of an inquiry tool, very little to the best of his knowledge has been to understand “consumer or marketing research” as according to Chronis and Hampton (2004).

Abela (2014) posits that “consumers use their imaginations” in the choices of products that they buy or in general their transactions; thus, he argues that consumers are very much aware that buying a car is completely different from “‘acquisition’ of a religion—conversion from one worldview to another.” The former is an act of hedonism while the latter is an act of faith. The author, using the Focolare movement which has grown in numbers according to Ann and Devlin (2000) to show that the movement conveys “truthfulness through personal example” as such, their example and multiple encounters with others outside the movement lend support to the trustfulness of their message. He further argues that living by an example is far better than “a written analysis or some other form of communication” (Abela, 2014, p. 57). The Focolare displays their commitment to what they preach—the ideal of unity, that the discovery of God allows human beings to find “peace and joy.”

Abela (2014) again argues that even though his paper is theoretical, it derives from axiom that marketing is really imagination that allows people to visualize what is being marketing (Dewi & Ang, 2001), and because religion is sacred, some consumers and some of the clergy are hesitant to embrace marketing of religion. However, because marketing requires bringing worldly practice to something sacred, “marketing of religion” must “communicate in ways that are simultaneously aesthetic, poetic, and truthful.” In a nutshell, those who are marketing religion must tell stories that are ethical and effective that they believe in.

As indicated earlier, because religion has circumscribed what human beings do and has grossly interacted with marketing, more and more marketing research papers are taking deeper look into marketing and religion. Drenten and McManus (2016) in one of such articles examined the “marketing-religion” publications in *Journal of MacroMarketing*. As indicated by Abela (2014), religion plays an important role, even in the teachings of ancient philosophers such as Plato’s *Republic*. Hence, citing the journal’s mission which is to examine “important social issues, how they are affected by marketing, and how society influences the conduct of marketing,” (p. 378) the fact that “religion constitutes one of the world’s most important social issues, unique in its cognitive, emotional, motivational, and behavioral aspects” (p. 377), the authors attempt to gain insight and appreciates what the journal has published in religion and marketing since its inception—1981 through 2014. For a deeper, the authors classified the articles into methodology, scholarly discipline such quantitative and theoretical as well as country of the authors.

Drenten and McManus (2016) ensured that all the different religions were included in the analyses and used classifications provided by Pew Research Center’s Forum on Religion and Public Life which was cited by Hackett and Grim (2012). For an exhaustive search, the authors used words such as “religion, religious, spiritual, spirituality, faith, God, and gods to include world’s religions such as Buddhism, Christianity, Hinduism, Islam, and Judaism—as well as other religious categories including religiously unaffiliated (e.g., Agnostic, Atheist), folk and tribal religions (e.g., African traditional religions, Chinese folk religions, Native American religions, Australian

aboriginal religions), and other religions (e.g., Baha faith, Taoism, Sikhism, Wicca) (Drenten & McManus, 2016, p. 378). After elimination for duplications, the result yielded 19 articles which are classified as: “(1) the impact of religion on macromarketing issues, (2) the impact of macromarketing issues on religion, (3) religion as a theoretical perspective, and (4) religious groups/individuals as a research context.” (p. 382).

Non-profit organizations, regardless of where they are located, seek donations for their cause. As indicated by Boris (1999), non-profit organizations have grown from 12,000 in 1940 to over 1.5 million in 2010. Because of their share numbers, their solicitation for funds has grown. Furthermore, because it is practically impossible for a person to donate to all the nonprofits, many nonprofits use different marketing messages to strategies to get top of the mind in consumers in order to obtain donations (Keller & Lehmann, 2008).

Marketing research has shown that many non-profit organizations mimic for-profit organizations in terms of advertising. However, religiosity by its nature in advertising may offend some consumers. Thus, the public “may expect non-profit firms to hold to a higher moral standard in advertising than they expect profit-oriented firms” (p. 23). The literature has also shown that religiosity is a categorical variable that exerts direct effect on individual. Momtaz et al. (2011) showed that “religiosity mediates the psychological well-being of widowed elderly people.” They also show that while a “higher degree of religiosity lessens the negative effects of widowhood, and religiosity moderates the relationship between social isolation and psychological well-being” (p. 23). However, does religiosity in advertising influence consumers’ intent to donate to non-profit organization? An answer to this question will make “socially responsible” non-profit organization to develop a reputable public face and use it in advertising “that are emotional and likable” as strategy that would encourage donations.

Hopkins et al. (2014) in attempt to answer the questions above developed a number of hypotheses by Dube and Wingfield (2008) who defined “a person’s degree of adherence to the beliefs, doctrines, and practices of a particular religion” (see Dube & Wingfield, 2008, cited in Hopkins et al., 2014). The authors formed a consumer panel with 306 respondents with varied faith ethnicity and from parts of the USA. An equation was developed with a moderating of “high and low religiosity.” The results of the analyses suggest that two main findings. First, non-profit organizations must use “negative emotional appeals in advertising should feature real victims (not actors) to generate empathy” and second the advertisements should “target more religious individuals through demographic and psychographic segmentations” (p. 23).

What happens to an individual ego when they donate money to charity? Even though the authors did not make this point, this research carries forward the Hopkins et al. (2014) paper about donating to charity. Jin et al. (2021) citing Harrison and Irvin (2018) argue that because national donation has remained stable (about 2% of the Gross Domestic Product of the USA), and yet the number of non-profit organizations is growing about 3.4% percent per year in the USA, competition for donations by non-profit organizations has increased. While individuals may want to donate money to non-profit organization with lower overhead costs such as advertising, the

organizations with lower advertising costs, all things being equal, not necessarily get to wider audience. This in turn leads to lower donations for non-profit organizations with lower expenses.

Consumers who donate to charities or philanthropic organizations wish to reduce stressors caused by work and other daily activities which “require self-regulation and achieving personal goals taps one’s self-control Resources.” These pressures can lead to “ego depletion” which was defined by Baumeister et al. (1998) as a state in which one feels that his/her “self-control resources have been temporarily exhausted after exertion.” If ego depletion reduces prosocial behavior” as argued by Xu et al. (2012), then one feels less guilt if they do not donate to charity. What do consumers do and what are their coping mechanisms in the days when they are inundated with solicitations from non-profit organization? To answer this question, Jin et al. (2021) designed three experiments 1 through 3 to “compare the time donation intent and actual monetary donations of depleted (versus non-depleted) individuals who have been exposed to either a self-benefit message, highlighting the gains to be accrued to donors themselves, or another-benefit message which focuses on the welfare of beneficiaries” (p. 480).

The first study consists of 225 college students (male and female) who were exposed to modified advertisement stimuli. These researchers used the stimuli developed by Brunel and Nelson (2000) and White and Peloza (2009) which were based on health charity. The results found that “ego depletion and message appeal manipulations” were present.

Study two consists of 104 students; 47 were females. This group similar to experiment number one was exposed to stimuli that were based on donation to children. The researchers found that manipulation, as well as the self-benefit appeal, were present.

Study three consists of 537 participants who were randomly selected. This study consisted of two sessions—the morning session and evening session. Both sessions were exposed to stimuli that were designed to solicit “funds to help young people with a physical disability.” The result showed that “the self-benefit message generated larger donations than the other benefit message,” whereas the opposite pattern was observed in the morning.

It is important to note experiment three combined experiment 1 and 2. Two main results emerged when the three studies were combined. The results produce two startling points. First, the motivation for ego depletion was observed. They come after “self-control failures often occur later in the day, when self-control resources are depleted.” (p. 490). Thus, non-profit organizations could benefit more from donations by developing two different strategies to be used at two different times of the day. Second, these organizations must adjust their solicitation appeals based on occupation of the donor.

Using the character of *Yoda*, in the *Star War*; Dodds et al. (2021) argue that *Yoda* is symbolic of what many consumers are seeking in the marketplace, i.e., they seek “spiritual fulfillment in terms of inspiration, meaning, and purpose” (Husemann & Eckhardt, 2019), as well as the associated the feeling of fulfillment that allows them to escape and enjoy “freedom, and joy” (Seregina, 2014). The feeling to escape from

reality allows consumers to seek and enjoy the freedom and joy that are apparent when individuals experience difficulties or as the world experiences a calamity such as the COVID 19. When such calamities do happen, consumers resort to spirituality that may entail, “pilgrimages, meditation, yoga, mindfulness, and personal development courses/books that empower and promise “transformation of their inner worlds” as argued by Basci (2015, p. 446) as cited by Dodds et al. (2021).

At the backdrop of these are the increase in advertising and branding that inspire authenticity. Even though the literature lays importance of consumer outcomes through spirituality and fantasy, the attempt to put the constructs of advertisement, branding, and spirituality has been non-existent. To bridge the gap between spirituality and consumer well-being, the authors used advertising framework as a vehicle to conceptualize “spiritual fantasy” and their subsequent effects on consumer well-being. This exercise has allowed the researcher the ability to develop a comprehensive framework that can guide advertising practice and research to develop a more nuanced approach to consumer-being.

Many consumers use religious symbolism and brand association as a guide to what they buy; thus, research into this area of consumers’ guidance to purchase decisions is important. However, most of this research has also been independently. What happens when religious symbolism and brand associations are examined together? Agarwala et al. (2021) similar to Dodds et al. (2021) decided to research the problem of what happens when symbolic interacts with “religious signs in print advertisements and consumers’ brand evaluation, namely brand affect and brand trust” (p. 372) to determine their “purchase intention.” Researchers also inquired into how the “comparative impact of two different types of religious signs—religious icons versus religious symbols—on brand evaluation and purchase intention” (p. 372).

Similar to Jin et al.’s (2021), Agarwala et al (2021) also used three experiments in which they developed five hypotheses. The first experiment consisted “icon” versus “control.” The second experiment consisted of “symbol” versus “control” with a single-factor, between-subjects design, and the third experiment compared the results for the “icon” versus “symbol” versus “control.”

The first experiment consisted of 80 management students in a college in Calcutta, India. Seventy percent of the participants were male. These participants were exposed to stimuli originally developed by Chaudhuri and Holbrook (2001, p. 87) and Li and Miniard (2006, p. 104). In the second experiment which comprised 161 of postgraduate-college students in Calcutta, India, fifty-seven percent were male. The stimuli in second experiment were the same as the stimuli in experiment one with manipulation checks. The third experiment comprised of 452 English-speaking Indian collected by Dexter Consultancy Pvt. Ltd., a private data collecting firm. Fifty-seven percent were males. The stimuli for this experiment were stimuli for experiments 1 and 2 in “real world” with “religiosity as a moderator.”

The results of the three experiments suggest that brand evaluation and branded purchases were positively influenced by religious signs. However, religious icons had higher positive “impact than religious symbols on brand evaluation and purchase intention” (p. 382)

## Methods and Analyses

According to Shankar et al. (2010), Polkinghorne (1988, 1991, 1996) narratives are nothing but stories. However, they are essential stories that capture human experiences put into words that help us to make sense of our lives (Ritson & Elliot, 1995). Narratives are fundamental in helping researchers build both theories and methodologies in consumer research.

Polkinghorne's theory has been concurred by researchers such as Mishler (1995), to help researchers build paradigmatic questions of ontology, epistemology, and methodology, and even though marketing researchers have made strides in their research with scientific theory, narrative principles are still alluded to.

It is suggested that our parents used stories to teach us as a child; thus, stories have become not only how we have been educated, but also how we live, as such narrative principles have become a new way of dissecting consumer behavior. Given the pervasiveness of the principles at an "individual, social, and cultural level," many researchers use it to construct a strong narrative. Thus, we have decided to use it to explicate how individuals decide to convert from one religion to another without being proselytized. We believe it will give a deeper meaning to not only religious marketing but also to an individual's welfare. It will give a greater meaning to welfare not only for this "world," but the "world after we have departed," that is leaving this earth.

### *A Journey*

To gain a deeper insight into how consumers behave particular with their welfare to life after this world, we use the narrative principle to interrogate a male who converted from Catholicism to Islamism. Every narration has a "beginning, the middle, and the end," as such, we begin with the individual's beginnings which started his inquisitiveness toward his welfare "after life." We used how he took lessons from other religions as the middle and how he got converted to Islamism as the end.

Even though many scholars have focused on Mormonism as a good example to convert people (Finke, 1997; Finke & Stark, 1988; Finke et al., 1996; Warner, 1993), to the best of our knowledge, investigating in to how individuals get converted from other churches to Islamism has never been documented as a narrative theory. The lesson from this study shows that many religious organizations can attract people without necessary proselytizing to them or spending large sums of money.

## *At the Beginning*

In the first 21 years of the subject (for anonymity, we will call him James) who was born a Catholic, practiced his faith, and was sure that his welfare after this world was being taken care of. However at 22, James realized that certain things that he was doing as a matter of faith did not make sense to him. James listed three of problems:

1. He truly did not understand the issue of the holy trinity—why are there three Gods in one?
2. Why must he pray to God through intermediaries?
3. Why must he confess through priests instead directly to God?

To James, he wanted more answers to what he was thought from infancy. However, he did not get the answer to the questions above, even though he sought answered from authorities (catechists and the priests).

James said that he had three choices in terms of what he thought he needed to do in terms of taking care of his welfare after life. First, he could still continue with his faith in the Catholic Church even though he does not believe in some of things that his faith teaches him that he was required to do. Second, he could change to traditional African religion which Africans without baptism into any religion practiced. He said that was before Europeans came to Africa, and Europeans referred to this practice as paganism, or he could become a Muslim.

He indicated that sticking to his current faith (Catholicism) clearly seemed to him that he was doing the wrong thing to enable his welfare after death. Furthermore, it seemed to him that if the Catholicism could not assure him that he was doing the right thing to enjoy “heavenly peace,” then he did not think that any other denominations that focused on trinity would be of any helpful to him. Hence, he thought that his choices were therefore between Islamism and traditional African religion since other remaining Christian religions have very close similarities with Catholicism.

## *Middle*

James offered that he did not want to become a believer of traditional African religion, and hence, the only Abrahamic religion he is confronted with is Judaism or Islam. After a lot of soul searching, he decided take lessons in Islamic religion. All the questions he had when he was practicing Catholicism were answered in his lessons on Islam, and yet he did not jump to the faith. His first period of conversion was dedicated to taking lessons. He took lessons for 5 years before he heartily decided that becoming a Muslim would prepare his welfare after this world. He found the convection ceremony simple—no new clothes, no celebrations, etc. and instead he chose a name by which he is now identified without necessarily going through the normal practices of baptism which Christians go through.



## ***Now***

James has been a practicing Muslim for over 16 years. He loves everything about the religion, and even though he works in as middle-level manager in a university, he asserts that praying five times each day is not an inconvenience for him. James, in fact, prays five each day and says that praying reminds him of what he needs to do to make sure that he is preparing for his welfare after life.

James says that Zakat (giving to the poor) reminds him of his religious obligations to the poor and gives him humanity. Fasting during Ramadhan actually reminds him of a devotion to Allah which really allows him to prepare for world after this life. His practices are supported by the holy Qur'an which states that: "And establish prayer and give Zakat, and whatever good you put forward for yourselves—you will find it with Allah. Surely Allah sees all that you do." (Qura'an 2:11). James is married to a woman who is also a Muslim. They both have two children—a boy and a girl.

## **Discussion**

The debate over whether principles of marketing theory as a discipline should be applied to marketing any sacred (religion, etc.) continues. However, whether marketing could be used to proselytize seems to be settled. Requiem over religion as sung by Stark (1999) never materialized. What is clear though is the concise theory over how people convert from one religion to another without being proselytized is still in need.

James' narrative cannot by itself be foundation for a theory. However, as described by Ritson and Elliot (1995), narratives do offer resources that many consumers use to make "sense of their lives." Converting to another religion James' narrative cannot by itself be foundation for a theory. However, as described by Ritson and Elliot (1995), narratives do offer resources that many consumers use to make "sense of their lives." Converting to another religion without proselytization can be a wholesome experience, even if it itself a lonely road. The backdrop offered by narration of James' can provide individuals in this journey a sense to match their experience (Sternberg, 1998).

## **Conclusion**

There are many others like James who show that preaching to convert people from one religion to another may work as evidenced by Mormons. However, explaining your beliefs to people and patiently explaining their questions when they seem to have one could be another way to change their mind, and perhaps a very good way to change people's mind without the much "resources of money."

Questions are asked from inquisitive minds or out of curiosity. Because religions are intangible and stem from believe, posing different questions, and those who asked these questions need to believe that the answerer takes their questions seriously, even though they might not be something fundamental. Dismissing these questions by religious leaders without any concerns to those who posed them maybe was to turn people away. James' convection tells us that leaders of Islamic faith, particularly in the religion he comes from, are teaching what their faith preachers do. Other preachers following the individuals that James spoke to could be changing "minds" particularly with "welfare after this world" without spending money to advertise or proselytize.

## References

- Abela, A. V. (2014). Appealing to the imagination: Effective and ethical marketing of religion. *Journal of Business Research*, 67, 50–58.
- Agarwala, R., Mishra, P., & Singh, R. (2021). Evaluating the impact of religious icons and symbols on consumer's brand evaluation: Context of Hindu religion. *Journal of Advertising*, 50(4), 372–390.
- Ann, S., & Devlin, J. F. (2000). American and British clergy attitudes towards marketing activities: A comparative study. *Service Industries Journal*, 20(4), 47–61.
- Bagozzi, R. P. (1975). Marketing as exchanges. *Journal of Marketing*, 39(4), 32–39.
- Basci, E. (2015). 4P's and 1C of new age spirituality: A holistic marketing review. *International Journal of Social Science and Humanity*, 5(5), 446–449.
- Baumeister, R. F., Bratslavsky, E., Muraven, M., & Tice, D. M. (1998). Ego depletion: Is the active self a limited resource? *Journal of Personality and Social Psychology*, 74(5), 1252–1265.
- Bayirli, M., Alserhan, B., & Ramadanani, V. (2023). History of Islamic marketing literature and research: A bibliometric analysis in conference paper research on Islamic business concepts. In V. Ramadanani, B. A. Alserhan, L.-P. Dana, Y. Zeqiri, H. Terzi, & S. Bayirli (Eds.), *Proceedings of the 12th global Islamic marketing conference, December 2021* (pp. 1–13).
- Berry, L. L. (1981). The employee as customer. *Journal of Retail Banking*, 111(1), 33–40.
- Beverland, M. B., Gemser, G., & Karpen, I. O. (2017). Design, consumption and marketing: Outcomes, process, philosophy and future directions. *Journal of Marketing Management*, 33(3–4), 159–172.
- Boris, E. T. (1999). Nonprofit organizations in a democracy: Varied roles and responsibilities. In E. T. Boris, & E. Steuerle (Eds.), *Nonprofit and government*. Urban Institute Press.
- Borowski, K. H. (1986). Religion and politics in post-world war II Poland. In J. K. Hadden, & A. Shupe (Eds.), *Prophetic religions and politics*. Paragon House.
- Bourdieu, P. (1986). The forms of capital. In J. Richardson (Ed.), *Handbook of theory and research for the sociology of education* (pp. 241–258). Greenwood.
- Bourdieu, P. (1991). Genesis and structure of the religious field. *Comparative Social Research*, 13(1), 1–44.
- Brinkerhoff, M. B., & Mackie, M. M. (1984). Religious denominations impact upon gender attitudes: Some methodological implications. *Review of Religious Research*, 25(1), 365–378.
- Brunel, F. F., & Nelson, M. R. (2000). Explaining gendered responses to 'help-self' and 'help-others' charity ad appeals: The mediating role of world-views. *Journal of Advertising*, 29(3), 15–28.
- Budiarani, V. H., & Nugroho, S. S. (2023). Determining factors affecting muslim customer purchase intention to shop skincare online: A study in Indonesia. In V. Ramadanani, B. Alserhan, L.-P. Dana, Y. Zeqiri, H. Terzi, & M. Bayirli (Eds.), *Research on Islamic business concepts proceedings of*

- the 13th global Islamic marketing conference, October 2022 (Springer proceedings in business and economics)* (pp. 67–83).
- Çavdar, A. (2016). Building, marketing and living in an Islamic gated community: Novel configurations of class and religion in Istanbul. *International Journal of Urban and Regional Research*, 40(3), 503–527.
- Chaudhuri, A., & Holbrook, M. B. (2001). The chain of effects from brand trust and brand affect to brand performance: The role of brand loyalty. *Journal of Marketing*, 65(2), 81–93.
- Chronis, A., & Hampton, R. D. (2004). Living in another world: The role of narrative imagination in the production of fantasy enclaves. *Advances in Consumer Research*, 31, 193–195.
- Cocking, J. M. (1991). *Imagination: A study in the history of ideas*. Routledge.
- Cohen, E. (1988). Authenticity and commoditization in tourism. *Annals of Tourism Research*, 15(3), 371–386.
- Cole, K., Daly, A., & Mak, A. (2009). Good for the soul: The relationship between work, wellbeing and psychological capital. *The Journal of Socio-Economics*, 38(3), 464–474.
- Crockett, D., & Wallendorf, M. (2004). The role of normative political ideology in consumer behavior. *Journal of Consumer Research*, 31, 511–528.
- De Sousada, D. (1993). Tourism and pilgrimage: Tourists as pilgrims? *Contours*, 6(2), 4–8.
- Delener, N. (1994). Religious contrasts in consumer decision behavior. *European Journal of Marketing*, 28(5), 36–53.
- Dewi, I. J., & Ang, S. H. (2001). Between imagination and reality: A study on the comparative effectiveness of advertising and product trial. *Asia Pacific Advances in Consumer Research*, 4, 74–80.
- Dodds, S., Jaud, D. A., & Melnyk, V. (2021). Enhancing consumer well-being and behavior with spiritual and fantasy advertising. *Journal of Advertising*, 50(4), 354–371.
- Drenten, J., & McManus, K. (2016). Religion-related research in the journal of macromarketing, 1981–2014. *Journal of Macromarketing*, 36(4), 377–387.
- Dube, L. F., & Wingfield, S. S. (2008). Economics, sociology, politics, and religion: Success of marketing students. *Atlantic Economic Journal*, 38, 503–504.
- Dudley, M. G., & Kosinski, F. A. (1990). Religiosity and marital satisfaction: A research note. *Review of Religious Research*, 32, 78–86.
- Finke, R. (1997). The consequences of religious competition: Supply-side explanations for religious change. In L. A. Young (Ed.), *Rational choice theory and religion: Summary and assessment* (pp. 45–64). Routledge.
- Finke, R., & Stark, R. (1988). Religious economies and sacred canopies: Religious mobilization in American cities, 1906. *American Sociological Review*, 53, 41–49.
- Finke, R., Guest, A. M., & Stark, R. (1996). Mobilizing local religious markets: Religious pluralism in the empire state, 1855 to 186. *American Sociological Review*, 61, 203–218.
- Ganelli, G., & Terval, J. (2010). Public infrastructures, public consumption, and welfare in a new-open-economy-macro model. *Journal of Macroeconomics*, 32(3), 827–837.
- Glenn, N. P., & Shelton, B. A. (1983). Pre-adult background variables and divorce: A note of caution about over-reliance on explained variance. *Journal of Marriage and the Family*, 45, 405–410.
- Hackett, C., & Grim, B. J. (2012). The global religious landscape: A report on the size and distribution of the world's major religious groups as of 2010. The Pew Forum on Religion and Public Life. <http://www.pewforum.org/files/2014/01/global-religion-full.pdf>
- Haq, F., & Yin Wong, H. (2010). Is spiritual tourism a new strategy for marketing Islam? *Journal of Islamic Marketing*, 1(2), 136–148.
- Harold, C. (2004). Pranking rhetoric: “culture jamming” as media activism. *Critical Studies in Media Communication*, 21(3), 189–211.
- Harrison, T. D., & Irvin, R. A. (2018). Competition and collaboration: When are they good for the nonprofit sector? In B. A. Seaman & D. R. Young (Eds.), *Handbook of research on nonprofit economics and management* (pp. 118–131). Edward Elgar Publishing.
- Hartman, M., & Hartman, H. (1983). Sex-role attitudes of Mormons vs. non-Mormons in Utah. *Journal of Marriage and the Family*, 45, 897–902.

- Hoge, D. R., Petrillo, G. H., & Smith, E. I. (1982). Transmission of religious and social values from parents to teenage children. *Journal of Marriage and the Family*, 44, 569–580.
- Hopkins, C. D., Shanahan, K. J., & Raymond, M. A. (2014). The moderating role of religiosity on nonprofit advertising. *Journal of Business Research*, 67, 23–31.
- Husemann, K. C., & Eckhardt, G. M. (2019). Consumer spirituality. *Journal of Marketing Management*, 35(5–6), 391–406.
- Iannaccone, R. L. (1992). Religious markets and the economics of religion. *Social Compass*, 39(1), 123–131.
- Izberk-Bilgin, E. (2010). An interdisciplinary review of resistance to consumption, some marketing interpretations, and future research suggestions. *Consumption Markets and Culture*, 13(3), 299–323.
- Jin, H. S., Kim, H. J., Suh, J., Sheehan, B., & Meeds, R. (2021). Ego depletion and charitable support: The moderating role of self-benefit and other-benefit charitable appeals. *Journal of Advertising*, 50(4), 479–493.
- Kapferer, J. N. (2004). *The new strategic brand management: Creating and sustaining brand equity long term*. Kogan Page
- Kartal, B., Tepeci, M., & Atli, H. (2015). Examining the religious tourism potential of y with a marketing perspective. *Tourism Review*, 70(3), 214–231.
- Kashif, M., & De Run, E. C. (2015). Money donations intentions among Muslim donors: An extended theory of planned behavior model. *Journal of Philanthropy and Marketing*, 20(1), 84–96.
- Keller, P., & Lehmann, D. R. (2008). Designing effective health communications: A meta-analysis. *Journal of Public Policy and Marketing*, 27(2), 117–130.
- Koku, P. S. (2011). On boycotts organized through the internet. *Journal of Marketing Development and Competitiveness*, 5(6), 83–93.
- Koku, P. S., Akhigbe, A., & Springer, T. M. (1997). The financial impact of boycotts and threats of boycott. *Journal of Business Research*, 40(1), 15–20.
- Krugman, P. (2007). *The New York Review of Books*. “Who Was Milton Friedman?”. <https://www.nybooks.com/articles/2007/02/15/Who Was Milton Friedman?>. Accessed 12 May 2022
- Lekakis, E. J. (2017). Culture jamming and Brandalism for the environment: The logic of appropriation. *Popular Communication the International Journal of Media and Culture*, 15(4), 311–327.
- Li, F., & Miniard, P. W. (2006). On the potential for advertising to facilitate trust in the advertised brand. *Journal of Advertising*, 35(4), 101–112.
- Loudon, D. L., & Bitta, A. J. D. (1979). *Consumer behaviour: Concepts and applications*. McGraw-Hill.
- McAlexander, J. H., Dufault, B. L., Martin, D. M., & Schouten, J. W. (2014). The marketization of religion: Field, capital, and consumer identity. *Journal of Consumer Research*, 41(3), 858–875.
- McBride, M. (2010). Religious market competition in a richer world. *Economica*, 77, 148–171.
- McDaniel, S. W. (1986). Marketing communication techniques in a church setting: View of appropriateness. *Journal of Professional Services Marketing*, 1(4), 39–54.
- Mishler, E. (1995). Models of narrative analysis: A typology. *Journal of Narrative and Life History*, 5(2), 87–123.
- Momtaz, Y., Hamid, T. A., Ibrahim, R., Yahaya, N., & Chai, S. T. (2011). Moderating effect of religiosity on the relationship between social isolation and psychological well-being. *Mental Health, Religion and Culture*, 14, 141–156.
- Moncrief, W. C., Lamb, C. W., & Hart, S. (1986). Marketing the church. *Journal of Professional Services Marketing*, 1(4), 55–63.
- Mottner, S. (2008) Marketing and religion. In A. Sargeant, & W. Wymer (Eds.), *The Routledge companion to nonprofit marketing*. Routledge.
- Normann, R., & Ramirez, R. (1993). From value chain to value constellation: Designing interactive strategy. *Harvard Business Review*, 71(4), 65–77.

- Olsen, D. H. (2003). Heritage, tourism, and the commodification of religion. *Tourism Recreation Research*, 28(3), 99–104.
- Peattie, K., & Peattie, S. (2010). Social marketing: A pathway to consumption reduction? *Journal of Business Research*.
- Peterson, L. R., & Roy, A. (1985). Religiosity, anxiety, and meaning and purpose: Religion's consequences for psychological wellbeing. *Review of Religious Research*, 27, 49–62.
- Phillips, R. (1998). Religious market share and Mormon church activity. *Sociology of Religion*, 59(2), 117–130.
- Polkinghorne, D. E. (1988). *Narrative knowing and the human sciences*. SUNY Press.
- Polkinghorne, D. E. (1991). Narrative and self-concept. *Journal of Narrative and Life History*, 1(2/3), 135–153.
- Polkinghorne, D. E. (1996). Explorations of narrative identity. *Psychological Inquiry*, 7(4), 363–367.
- Prahalad, C. K., & Ramaswamy, V. (2004). Co-creation experiences: The next practice in value creation. *Journal of Interactive Marketing*, 18(3), 5–14.
- Richards, P. S. (1991). The relationship between conservative religious ideology and principled moral reasoning: A review. *Review of Religious Research*, 32, 359–368.
- Rinallo, D., & Oliver, M. A. (2019). The marketing and consumption of spirituality and religion. *Journal of Management, Spirituality and Religion*, 16, 1.
- Ritson, M., & Elliot, R. (1995) A model of advertising literacy: The praxiology and co-creation of meaning. In M. Bergadaa (Ed.), *Proceedings European marketing academy conference ESSEC, Paris* (pp. 1035–1054).
- Robinson, M. (2001). Tourism encounters: Inter- and intra-cultural conflicts and the world's largest industry. In N. Al Sayyad (Ed.), *Consuming tradition, manufacturing heritage* (pp. 34–67). Routledge.
- Rundquist, K. (2010). Leap of faith. Religious tourism report, ASTA Network (pp. 40–43). [www.jewishtravagency.com/JewishTravel/ASTA0810\\_040\\_REV-FINAL.pdf](http://www.jewishtravagency.com/JewishTravel/ASTA0810_040_REV-FINAL.pdf)
- Seregina, A. (2014). Exploring fantasy in consumer experiences. In J. W. Schouten, D. M. Martin, & R. W. Belk (Eds.), *Consumer culture theory research in consumer behavior* (Vol. 16, pp. 19–33). Emerald Group Publishing Limited.
- Shankar, A., Elliott, R., & Goulding, C. (2010). Understanding consumption: Contributions from a narrative perspective. *Journal of Marketing*, 32, 429–453.
- Slesnick, D. T. (2005). *Consumption and social welfare*. Cambridge Books.
- Stark, R. (1999). Secularization, RIP. *Sociology of Religion*, 60(3), 249–273.
- Sternberg, R. (1998) *Love is a story: A new theory of relationships*. Oxford University Press.
- Terzi, H. (2022). Consumption as a way of production. In B. A. Alserhab, V. Ramadan, Y. Zeqiri, & L.-P. Dana (Eds.), *A chapter in strategic Islamic marketing: A roadmap for engaging Muslim consumers. Part of the book series: Contributions to management science* (pp. 79–90).
- Tuba, U., & Holt, D. B. (2007). Dominated consumer acculturation: The social construction of poor migrant women's consumer identity projects in a Turkish squatter. *Journal of Consumer Research*, 34, 41–56.
- Vickery, S. K., Droge, C., Stank, T. P., Goldsby, J. J., & Markland, R. E. (2004). The performance implications of media richness in a business-to-business service environment: Direct versus indirect effects. *Management Science*, 50(8), 1106–1119.
- Warner, S. R. (1993). Work in progress toward a new paradigm for the sociological study of religion in the United States. *American Journal of Sociology*, 98, 1044–1093.
- Watson, P. J., Folbrecht, J., Morris, R., & Hood, R. W. (1990). Values, 'irrationality' and religiosity. *Journal of Psychology and Theology*, 18(4), 348–362.
- White, K., & Peloza, J. (2009). Self-benefit versus other benefit marketing appeals: Their effectiveness in generating charitable support. *Journal of Marketing*, 73(4), 109–124.
- Wilcox, C. (1990). Religion and politics among white evangelicals: The impact of religious variables on political attitudes. *Review of Religious Research*, 32, 27–42.
- Wrenn, B. (2010). Religious marketing is different. *Journal of Services Marketing*, 32(1), 44–59.

- Wright, K. (2008). *Religious tourism: a new era, a dynamic industry, ethical/religious: Faith tourism—big business*. [www.tourism-review.com](http://www.tourism-review.com)
- Xu, H., Begue, L., & Bushman, B. J. (2012). Too fatigued to care: Ego depletion, guilt, and prosocial behavior. *Journal of Experimental Social Psychology*, 48(5), 1183–1186.
- Zeithaml, V. A., Parasuraman, A., & Berry, L. L. (1988). Communication and control processes in the delivery of service quality. *Journal of Marketing*, 64, 35–49.

**P. Sergius Koku** was formerly a tenured full professor at the Florida Atlantic University, Boca Raton, Florida, USA. He has won two Fulbright awards in five years and has authored/coauthored four books with established book publishers. He has published over 120 peer-reviewed articles in renowned journals and conference proceedings. He holds the JD (the Doctor of Jurisprudence degree) from the University of Miami School of Law, a Ph.D. (Finance and Marketing), MBA (Finance), and MA (Applied Economics), all from Rutgers University. He also holds MBA (Marketing) from Oregon State University, and BA in Finance (Summa Cum Laude) from the University of the Virgin Islands. Prof. Koku is a well-known expert on boycotts and has commented on several boycotts in several States in the US on the National Public Radio and Canada.

**Pierre Celestin Mubarak Bimenyimana** is serving as the advisor to the Deputy Vice Chancellor for Academic Affairs and Research and a part-time lecturer at the University of Rwanda. He also served as research assistant in various projects and worked in the local government of Rwanda. He is pursuing a PhD of Social Sciences at the University of Rwanda with courses at the University of Agder. He holds a Master of Public Administration, SungKyunKwan University, a Master of Social Welfare Administration, Annamalai University, and a BA in Social Work, National University of Rwanda. He authored articles and a book in the areas of Citizen Satisfaction with Public Services, Public Administration and HRD, Drugs and Behavioral Change as well as Social Innovations.

**Charmant Ndereyimana Sengabira** is a project manager at the University of Rwanda with extensive experience in international development and education. Educated at Kyung Hee University, Korea, and the National University of Rwanda, he holds a Master's degree in International Development and Cooperation. He has extensive experience in international collaboration and project management through his tenure at the Korea International Cooperation Agency (KOICA). With a passion for teaching, he has imparted wisdom on many topics, from NGO management to business communication. His multilingual skills further enhanced his ability to engage stakeholders and build partnerships across diverse cultural landscapes, enhancing his ability to communicate in Kinyarwanda, English, French, Kiswahili, basic Kirundi, and Korean.

# Are Halal Hotels Green? An Exploratory Study from Malaysia



Ghazala Khan, Faiza Khan, and Sa'adiyah Munir

**Abstract** The purpose of this exploratory study was to examine the extent halal hotels emphasise on the halal attributes offered in comparison to the green practices of halal hotels in Malaysia, a top OIC Muslim-friendly holiday destination. A content analysis of the websites of the top seven halal hotels in Malaysia was conducted to compare the emphasis of the halal attributes vis a vis the green practices of the same. Findings reveal that neither the halal attributes nor the green practices are widely emphasised upon. It can be inferred that if a hotel is halal certified, then a number of attributes such as the availability of halal food, prayer facilities, or gender segregation for leisure activities are readily available. Green practices among halal hotels were found to be scarce with little importance given to such practices. The study concludes with limitations and directions for future research.

**Keywords** Halal hotels · Attributes · Green practices · Malaysia

## Introduction

The halal tourism market has seen a monumental growth. Excluding religious travel, i.e. the Hajj and Umrah, in 2019, international Muslim travellers reached 160 million (Global Muslim Travel Index, 2022) and spent approximately USD 192 billion (Halal Tourism Market, 2022–2023). International Muslim travellers were projected to reach 230 million by 2023 (Global Muslim Travel Index, 2022). However, due to the recent global pandemic and travel restrictions, this projection will only see

---

G. Khan (✉) · S. Munir  
Monash University, Subang Jaya, Malaysia  
e-mail: [ghazala.khan@monash.edu](mailto:ghazala.khan@monash.edu)

S. Munir  
e-mail: [saadiyah.munir@monash.edu](mailto:saadiyah.munir@monash.edu)

F. Khan  
University College Birmingham, Birmingham, UK  
e-mail: [f.khan@ucb.ac.uk](mailto:f.khan@ucb.ac.uk)

© The Author(s), under exclusive license to Springer Nature Singapore Pte Ltd. 2024  
J. Fraedrich et al. (eds.), *Contemporary Business Research in the Islamic World*,  
Springer Proceedings in Business and Economics,  
[https://doi.org/10.1007/978-981-97-5400-7\\_5](https://doi.org/10.1007/978-981-97-5400-7_5)

fruition by 2028 (Global Muslim Travel Index, 2022) with travel-related expenditure of approximately USD 225 billion (Global Muslim Travel Index, 2023). The demand for halal tourism is likely to continue soaring due to a growing middle class and better global interconnectivity (Halal Tourism Market, 2022–2023). Rising demand for halal tourism has resulted in an expansion of halal or Muslim-friendly hotels in both Muslim-dominant and non-Muslim countries.

Both academic and industry research indicates that the Muslim travellers have specific requirements during their travels such as gender segregation for leisure activities, prayer facilities and availability of halal food (e.g. Alserhan et al., 2018). Many halal-certified and Muslim-friendly hotels have had to adapt their services to suit these requirements. Most of the research in halal tourism has been conducted on the key requirements of Muslim travellers' needs and little attention has been paid on the green business practices of the hotels, which is rather surprising as the Holy Quran and the sunnah of the Prophet Mohammed (PBUH) guide Muslims in all aspects of life including treatment of the environment. Even in using water, Prophet Mohammed (PBUH) was cautious as evidenced by this hadith-Abdullah ibn Amr reported: The Messenger of Allah (peace and blessings be upon him) passed by Sa'd while he was performing ablution. The Prophet (peace and blessings be upon him) said, "What is this extravagance?" Sa'd said, "Is there extravagance with water in ablution?" The Prophet (peace and blessings be upon him) said, "Yes, even if you were on the banks of a flowing river". (Sunan Ibn Majah 425, as cited by Majid & Latif, 2020: 17).

In their extensive review of studies on halal tourism, Vargas-Sanchez and Moral-Moral (2020: 4) summarised that the research in the field of halal tourism is not associated with "an ecological awareness and conservation of the natural environment" and neither does it connect with a healthy lifestyle. It therefore appears that most halal or Muslim-friendly hotels are still somewhat behind in adapting eco-friendly attitudes and practices to conserve the natural environment and focus instead on promoting their services as Muslim-friendly or halal certified. While offering halal services attracts Muslim travellers, there is a growing awareness among Muslim travellers of the impact of tourism on the environment and local communities, which has resulted in rising demand for eco-friendly and sustainable travel options. Muslim travellers are actively seeking destinations, accommodations and leisure activities that are ethical, green and promote the well-being of the local communities (Global Muslim Travel Index, 2023). Incorporating eco-friendly into halal hotels is critical, to resonate with Muslim travellers' ethical and environmental values. Further, rising concerns for the depletion of the environment have resulted in the adoption of green or eco-friendly practices in hotels worldwide (Quan et al., 2022). It is therefore imperative for halal hotels to adopt eco-friendly practices and not only focus on the halal attributes and services offered, as this will enable them to address the rising demand by Muslim travellers, remain competitive and serve a wider clientele. Against this backdrop, this exploratory study aims to explore the extent halal hotels emphasise on the halal attributes offered and to determine the extent of green practices of halal hotels in Malaysia. The study will examine both the halal attributes and the green



practices of halal hotels to compare the value placed on the halal attributes vis a vis the green practices of the same.

This explorative study was conducted on Malaysian hotels. Malaysia was chosen as the context of study as Malaysia was among the first OIC countries to recognise the significance of halal tourism and promote it, particularly after September 11 (Shafaei & Mohamed, 2015). Malaysia has successfully positioned itself as a leading Muslim-friendly holiday destination and has been voted as the best Muslim-friendly destination by CrescentRating for several years. In 2023, Malaysia added yet another accolade as the best Muslim women-friendly destination (The Star, 2023). The next section will present a brief literature review on halal hotel attributes and green hotels, followed by the methodology and discussion. The paper ends with a clear identification of limitations and directions for future research.

## Literature Review

The growth of Islamic tourism has resulted in hotels developing or adapting services to meet the requirements of the Muslim travellers. Muslims in general adhere to the teachings of Islam even during travel, and this has a significant impact on their choice of hotels or accommodation (Rahman et al., 2017). As such, it is imperative for holiday destinations and accommodation providers to adapt or develop services to cater for this lucrative market. Even though Muslims are divided by social, political and on historical grounds, Muslims are united in their understanding of what generally constitutes halal and haram (Wilson & Liu, 2010). Thus, to a certain extent, it can be assumed that the general requirements of Muslim travellers are more or less standardised. Halal hotels also referred to as Muslim-friendly hotels often market a set service of attributes that fulfil the needs of Muslim travellers. The literature on halal or Muslim-friendly hotels has mainly focused on two major themes, namely the identification of the key requirements of the Muslim travellers and the impact of these attributes on specific consumer behaviour such as preferences or satisfaction. For the purpose of this study, the literature on halal hotels will focus on the first theme, that of the key attributes of halal hotels.

Past literature has identified a number of tangible and intangible attributes that help to fulfil the requirements of Muslim travellers. The key attributes of halal or Muslim-friendly hotels include Muslim-friendly facilities, halal food and beverages, general Islamic morality and issues related to the service personnel.

Halal-friendly attributes can further be broken into the general amenities at the hotel and room facilities. Research suggests that Muslim travellers prefer the availability of prayer facilities at the premises or close proximity to places of worship (Al-Hamarneh & Steiner, 2004; Din, 1989; Han et al., 2019; Mohsin & Alsawafi 2011; Putit et al., 2016). Some studies also indicate that the direction of the Qibla (in the form of a sticker, prayer mats and a copy of the Holy Quran in the hotel rooms are also welcomed) (Arasli et al., 2023; Han et al., 2019; Henderson, 2010; Shnyrkova &

Predvoditeleva, 2022) as is information on nearby mosques (Shnyrkova & Predvoditeleva, 2022). As water plays a significant role in maintaining cleanliness of oneself and especially ablution (Rehman, 2022), the presence of a bidet or a hand-held shower as part of the basic room and bathroom amenities is considered a very important attribute for a hotel to provide (Arasli et al., 2023; Henderson, 2010; Shnyrkova & Predvoditeleva, 2022). The lack of accessibility to water facilities in a hotel room or bathroom may make the hotel stay uncomfortable for Muslim travellers (Rehman, 2022).

Past research has also indicated that in general, Muslims prefer segregation by gender for certain facilities such as swimming pools, spas and gyms (Han et al., 2019; Henderson, 2010; Shnyrkova & Predvoditeleva, 2022). Wingett and Turnbull (2017) note that part of the charm of going on a “halal holiday” for women was women-only facilities, where Muslim female travellers could enjoy themselves without worry.

Due to the dietary requirements of Muslims, halal food and beverage have been found to influence hotel and destination choices. Easy access to halal food is of paramount importance to various Muslim travellers. Halal food and beverages include at the very least halal breakfast and an assurance of a separate kitchen to reduce any chance of cross-contamination.

Additionally, some studies also indicate that Muslim travellers may prefer to stay at hotels where services cater for Muslim travellers during the holy month of Ramadan, which includes provisions for Iftar and Sahur (Battour, 2018; Henderson, 2010). While the presence of halal food is important (Battour et al., 2011; Henderson, 2010; Putit et al., 2016; Wingett & Turnbull, 2017), the absence of alcohol in both the room and the hotel premises is preferred by Muslim travellers. The presence of alcohol is especially of concern to Muslim families travelling with small or children of impressionable age (Shnyrkova & Predvoditeleva, 2022; Wingett & Turnbull, 2017).

A number of studies have found that upholding general Islamic morality is important for Muslim travellers. For instance, in their study on expectations of Muslim travellers on a halal holiday, Wignett and Turnball (2017) found that in general, Muslims were not keen on exposure to anything they considered haram (or unlawful), which can be interpreted as any activity that may create discomfort such as women clad in skimpy or revealing clothing and public display of affection. Such discomfort is not just restricted to adults; it is also frowned upon by Muslim families. Other researchers' (e.g. Battour et al., 2011) also state that Muslims are discouraged to visit places that promote or encourage sexual promiscuousness. Aligned with this field of thought, a group of researchers (e.g. Al-Hamarneh & Steiner, 2004; Battour et al., 2011; Din, 1989; Putit et al., 2016; Zamani-Farahani & Henderson, 2010) suggest that the absence of bars and nightclubs at the hotel premises are strongly preferred by Muslim travellers, so as to prevent any illicit desires or activities. In addition, some researchers also state that the other forms of entertainment such as the absence of adult TV and the presence of Islamic entertainment such as Islamic TV channels were welcomed by Muslim travellers.

The last major attribute that hotel and other accommodation service providers need to provide concerns the hotel personnel. This includes the extent of knowledge

of halal concepts, which in turn significantly affects interaction between hotel staff and guests. It has been reported that Muslim travellers are more comfortable with hotel staff that are trained in the concept of halal (Alserhan et al., 2018; Shnyrkova & Predvoditeleva, 2022). Ideally, the staff should be dressed conservatively (Henderson, 2010; Shnyrkova & Predvoditeleva, 2022). Further, some researchers also indicate that interaction between hotel staff should be gender based, as in male staff should attend to male guests and vice versa (Yusof & Muhammad, 2013).

Alserhan et al. (2018) summed up the above by adapting Stephenson's (2014) work and identified five areas that Islamic hotels should consider: Human resources, private rooms (bedrooms and bathrooms), dining and banqueting facilities, other public facilities and business operations, with the last area indicating that a Shariah Compliant Hotel should go above and beyond the basic halal rules with the entire hotel operation. This could include areas such as marketing and promotions, contribution of percentage of earnings as zakat (alms/charity) to ensuring a halal supply chain, recruitment and training. Similarly, CrescentRating (2019) a leading authority in halal travel has identified faith-based attributes for a hotel to be certified as halal, including halal food, prayer facilities, water-usage friendly bathroom, Ramadan services, no non-halal activities, recreational facilities segregated by gender and services with privacy. The Malaysian Standard for Muslim Friendly Hospitality Service requirements MS 2610:2015 is similar to CrescentRating, but with some additional requirements such as the presence of public prayer facilities, copy of the Quran, prayer mats and prayer outerwear for females in the hotel rooms. Additionally, the Malaysian standards also emphasise on the cleanliness of the premises.

## Green Hotels

The demand for green hotels has witnessed a steady increase, driven by heightened environmental consciousness among travellers who prioritise sustainable practices in their travel choices. According to a recent study by Booking.com, a substantial 73% of global hotel visitors now prefer eco-sustainable or green hotels over traditional ones, a notable increase from 62% in 2016. Moreover, 96% of global travellers recognise the significance of sustainable travel, with 76% expressing their intention to make more sustainable choices in future (Booking.com 2023 Sustainable Travel Report).

Green hotels, also called eco-friendly or sustainable hotels, prioritise environmental sustainability by implementing various practices and initiatives. These initiatives aim to conserve resources, minimise energy consumption, manage waste effectively and promote eco-friendly alternatives. The underlying goal is to provide guests with comfortable, secure and enjoyable stays while significantly reducing the hotels' carbon footprint (Haldorai et al., 2022; Manaktola & Jauhari, 2007; Tang & Lam, 2017).

Green hotels employ various energy conversion tactics, incorporating renewable energy initiatives like solar and wind power, integrating energy-efficient appliances

and machinery, managing guest room energy usage through digital thermostats, employing energy star-certified products, utilising motion sensors to automatically switch off lights in low-traffic zones, installing reflective or triple-glazed windows and adopting energy-efficient LED light bulbs and depending on daylight rather than artificial light when cleaning vacant dirty rooms (Bohdanowicz, 2005; Iwanowski & Rushmore, 1994; Kasim, 2007).

Additionally, water conservation methods generally used in green hotels include installing water-efficient equipment and appliances (for instance, low-flow toilets, showerheads and infrared-activated faucets), adopting programmes to re-use towels and bed linens, regularly fixing leaks in bathrooms and using intelligent watering practices for grass and plants to reduce evaporation (i.e. watering early morning and late at night). Additionally, they recycle grey water (from washing fruits and vegetables) for irrigation and closely monitor water consumption in each department to keep track of usage (Baker et al., 2014; Han et al., 2018; Kuuder et al., 2013; Mensah, 2006; Millar & Baloglu, 2011).

To minimise waste, green hotels implement diverse strategies such as sorting wastes into clearly labelled containers and coloured bins for recyclables, procuring products with recycled materials, segregating organic kitchen waste for composting, buying food items and cleaning chemicals in bulk, initiating a donation programme to give away food leftovers and linens to charities and repurposing leftover guest soaps by grinding them for use as laundry detergent (Han et al., 2018; Kirk, 1998; Singh et al., 2014).

Previous research highlights the positive outcomes of adopting green practices in hotels. For example, a study has indicated that guests who value environmental sustainability experience improved well-being during their stay in green hotels and are more likely to revisit these establishments (Quan et al., 2022). The study found that environmental factors, such as environmental CSR and perceived environmental threats, are strongly related to the customers' emotional well-being. Similarly, Moliner et al. (2019) proved that environmental sustainability significantly and positively impacts the customer's accommodation experience and indirectly contributes to their satisfaction.

Research on green hotels in Malaysia is scarce, as most studies in this field have focused on developed countries, rather than developing countries (Ahn & Kwon, 2020). Studies that have explored green hotel practices in Malaysia have investigated the effects of green hotel and its practices on consumers' perceived value and intention to revisit (e.g. Ahn & Kwon, 2020), effects on frugality on both hotel practices (e.g. Sodom et al., 2022a, 2022b) and consumers (e.g. Sodom et al., 2022a, 2022b), approaches to practices such as conservation of water, energy and waste management (e.g. Yusof & Jamaludin, 2013) and barriers in adopting and implementing green practices among hotels and resorts (e.g. Yusof & Jamaludin, 2014). Gaps in literature on the green practices of halal hotels are glaringly absent.

## Methodology

To determine the extent of the halal attributes and the green practices of the halal hotels, a content analysis of the top seven halal hotels was conducted. Content analysis has in recent years gained popularity in general tourism research (Camprubi & Coromina, 2016) and halal tourism (e.g. Alserhan et al., 2018; Arasli et al., 2023; Khan & Callanan, 2017; Razzaq et al., 2016). Content analysis facilitated an unobtrusive examination of the websites and made valid inferences from information found on the websites. Content analysis was also used as the technique supports the exploratory nature of the study (Kolbe & Burnett, 1991).

The sample of halal hotels from Malaysia was drawn from the CrescentRating service for Islamic Hotels. CrescentRating is an authority on halal travel and offers a wide range of services including certification programmes for hospitality and tourism businesses. The CrescentRating system rates the overall halal-friendliness of hotels on a scale of one to seven—with one being the lowest rating and seven being the highest (CrescentRating, 2023). As there were only seven halal hotels with CrescentRating certification, all seven hotels were selected for analyses. The hotels were rated between seven and four, with seven being the highest and 3 the lowest.

In order to examine the hotels' halal practices, Alserhan et al (2018)'s dimensions were initially chosen: Human resources, private rooms (bedrooms and bathrooms), dining and banqueting facilities, other public facilities and business operations. Based on these dimensions, a coding scheme was developed incorporating the categories mentioned and the halal attributes.

To examine the hotels' Green practices, three areas were chosen in line with Abdou and El Dief (2020)'s work: energy conservation measures, water conservation measures and waste management measures. This is in line with the literature examined earlier on Green practices as the three areas highlighted were waste management, water conservation and energy conservation. A similar coding scheme to halal practices was developed incorporating the Green practices' dimensions mentioned above.

Data were collected from the websites of the hotels. Guest reviews of hotels as well as blogs were excluded from the research as the focus of the study was not consumer based. Each website was read several times to ensure reliability. However, there was little information regarding the halal friendliness of the hotels on the websites (see Table 1). The problem of hotel websites' not having enough information has been encountered in other studies such as by Razzaq et al. (2016) who conducted a content analysis of hotel websites in New Zealand to investigate if they were prepared for halal tourism. They addressed this by examining other travel information websites. In this study, the parent company of the hotels' websites was also examined to acquire more information, but this step did not produce any additional insights. A cross-check of the halal attributes against CrescentRating's website indicated that CrescentRating provided more detailed information regarding the halal attributes of the hotels such as information on availability of halal food on and off-premises, availability of prayer

mats, prayer timetables, segregation of hotel facilities and the absence of adult TV programmes.

Next, the green practices of the top seven hotels were also analysed. Similar to halal attributes, the hotel websites lacked much information on Green practices. The parent companies' websites were then examined, followed by a review of Booking.com and Agoda, the top 2 online booking platforms globally (Travel Weekly Asia, 2022), as both these platforms have travel sustainable programmes. Additionally, the Malaysian Ministry of Tourism, Arts and Culture (MOTAC) as well as its Islamic Tourism Centre's (ITC) websites were examined to check how the hotels in the sample rated for halal and green hospitality. Thus, triangulation was done by examining different data sources as well. Table 2 presents the Green practices of the top seven Malaysian halal hotels.

## Discussion

This exploratory study on the green practices of halal hotels in Malaysia was aimed at determining whether halal hotels in Malaysia still emphasise on the halal attributes and to determine the green practices of the same. The study utilised content analysis to determine both the halal and green practices of the hotels. The top seven halal hotels as rated by CrescentRating.com in Malaysia were used as the sample for this study. Among the key halal attributes, the most common attribute was the presence of halal food, hotels #1, 2 and 4 mentioned the availability of halal food or halal-certified restaurants. Hotels # 1 and 2 also provided food services during the holy month of Ramadan. This was surprising as halal food is one of the key needs of Muslim travellers. CrescentRating on the other hand mentions the availability of halal food on premises and nearby restaurants on its website. Surprisingly, the top three ranked hotels did not mention gender-segregated leisure facilities. Gender-segregated leisure facilities are often welcomed by Muslim travellers, especially women and family travellers (e.g. Han et al., 2019; Wingett & Turnbull, 2017). Hotels #3 and 4 mentioned the presence of alcohol on premises and hotels #5, 6 and 7 had the least informative websites pertaining to halal attributes.

Overall, the analysis of the hotel websites revealed little information on the extent of halal provision of the hotels and required examining the sites in detail. This echoes Alserhan et al (2018)'s findings where they reviewed halal hotels' websites and found them lacking in transparency. This poses a problem because a potential tourist looking for a halal or Muslim-friendly hotel does not have access to the information at the time of booking. There is more detailed information on the halal attributes for each of the hotels provided on CrescentRating's website, and as this is a leading authority of Islamic travel, it may be assumed that Muslim travellers keen on booking Muslim-friendly hotels might consult this site. Another possibility is that as Malaysia is the top OIC destination for Muslim tourists, most Muslim tourists would expect hotels in Malaysia to have some of the halal attributes mentioned earlier such as halal food on the premises or nearby prayer facilities or nearby mosques, etc. It is also plausible

**Table 1** Halal hospitality practices of Malaysian hotels based on hotel websites

Hotel	Halal hospitality practices						Others
	Human resources	Private rooms	Dining and banqueting facilities	Other public facilities	Business operations	Others	
Hotel #1	Limited depiction of staff Female staff and guests shown with Hijab	Bathroom with bidet	<ul style="list-style-type: none"> <li>Halal food</li> <li>Eid banquets</li> <li>Iftar Hi-Tea buffets</li> </ul>	<ul style="list-style-type: none"> <li>No mention of gender-segregated leisure facilities<sup>a</sup></li> <li>No mention of discotheque<sup>a</sup></li> <li>Prayer rooms</li> </ul>	<ul style="list-style-type: none"> <li>No mention of gambling<sup>a</sup></li> <li>CSR practices of parent company with local communities</li> </ul>	<ul style="list-style-type: none"> <li>CR 7 rating</li> <li>Close to mosques</li> <li>Malaysian owned</li> <li>Rated as Platinum Muslim-friendly hotel by ITC</li> </ul>	
Hotel #2	Very Limited depiction of staff Female staff and guests shown with Hijab	Bathroom with bidet	<ul style="list-style-type: none"> <li>Iftar and Eid Hi Tea buffets</li> <li>Halal-certified restaurants</li> </ul>	<ul style="list-style-type: none"> <li>No mention of gender-segregated leisure facilities<sup>a</sup></li> <li>No mention of discotheque<sup>a</sup></li> </ul>	<ul style="list-style-type: none"> <li>No mention of gambling<sup>a</sup></li> <li>CSR practices of parent company with local communities</li> </ul>	<ul style="list-style-type: none"> <li>CR rating 6</li> <li>Close to Islamic Museum</li> <li>Malaysian owned</li> <li>Rated as Platinum Muslim-friendly hotel by ITC</li> </ul>	
Hotel #3	Limited depiction of staff	No mention of bidet	<ul style="list-style-type: none"> <li>No mention of halal food/kitchen/restaurants<sup>a</sup></li> <li>Alcohol is served</li> </ul>	<ul style="list-style-type: none"> <li>No mention of gender-segregated leisure facilities<sup>a</sup></li> <li>No mention of discotheque<sup>a</sup></li> </ul>	<ul style="list-style-type: none"> <li>No mention of gambling<sup>a</sup></li> <li>CSR practices of parent company with local communities</li> </ul>	<ul style="list-style-type: none"> <li>CR rating 5</li> <li>Mentions mosques as accessible attractions</li> <li>Hong Kong-based parent company</li> </ul>	
Hotel# 4	Frequent depiction of staff	Private swimming pools	<ul style="list-style-type: none"> <li>Halal kitchen</li> <li>Halal straws</li> </ul>	<ul style="list-style-type: none"> <li>Separate male and female sauna</li> <li>Bar with live bands</li> <li>Karaoke rooms</li> </ul>	<ul style="list-style-type: none"> <li>No mention of gambling<sup>a</sup></li> <li>CSR practices of parent company with local communities</li> </ul>	<ul style="list-style-type: none"> <li>CR rated 5</li> <li>Malaysian owned</li> </ul>	

(continued)

Table 1 (continued)

Hotel	Halal hospitality practices						Others
	Human resources	Private rooms	Dining and banqueting facilities	Other public facilities	Business operations		
Hotel #5	Limited to no depiction of staff Female staff shown in hijab	• No mention of bidet <sup>a</sup> No mention of Qibla markings <sup>a</sup>	• No information on halal food <sup>a</sup> No information on alcohol <sup>a</sup>	No mention of segregated swimming facilities <sup>a</sup>	• No mention of gambling <sup>a</sup> • CSR practices of parent company with local communities	• CR rated 5 • Malaysian-owned American franchise	
Hotel #6	Limited to no depiction of staff	No mention of bidet No mention of Qibla markings	No information on halal food <sup>a</sup> No information on alcohol <sup>a</sup>	No swimming pools No mention of prayer rooms	No mention of gambling No mention of CSR activities	• CR rated 4 • No information on ownership	
Hotel #7	Limited depiction of staff	No mention of bidet <sup>a</sup> No mention of Qibla markings <sup>a</sup>	No information on halal food Alcohol is served	No mention of segregated swimming facilities <sup>a</sup> • Bar and lounge with live bands	Hotel has won a CSR Malaysia award for its work with local communities and sustainability efforts	• CR rated 3 • Malaysian-owned American franchise	

<sup>a</sup> Denotes the absence of key halal attributes on the websites which were identified in the literature on halal attributes of hotels



**Table 2** Green practices of Malaysian hotels based on hotel websites and travel platforms

Hotel	Green hotel practices			Others
	Water conservation measures	Energy conservation measures	Waste management measures	
Hotel #1	Re-use of bed linen and towels	Re-use of towels and linen	Recycle bins	Social responsibility programme practised by the parent company <ul style="list-style-type: none"> <li>• Healthy lifestyle; re-use, recycle and reduce (3Rs); save the planet; and community development</li> <li>• Nurture their plants and green landscape</li> </ul> Hotel is level 1 on Booking.com's Travel Sustainable Level
Hotel #2	Re-use of bed linen and towels	Re-use of towels and linen	Recycle bins	Social responsibility programme practised by the parent company <ul style="list-style-type: none"> <li>• Healthy lifestyle; re-use, recycle and reduce (3Rs); save the planet; and Community Development</li> <li>• Nurture their plants and green landscape</li> </ul>
Hotel #3	No mention on the website	No mention on the website	No mention on the website	<ul style="list-style-type: none"> <li>• Reference to lush greenery and green landscape on website</li> <li>• One of the hotel group's 5 brand attributes is to create a positive impact. This refers to among others sustainable lifestyle practices but does not elaborate on how this is done</li> </ul>

(continued)

Table 2 (continued)

Hotel	Green hotel practices				Others
	Water conservation measures	Energy conservation measures	Waste management measures	Others	
Hotel #4	No mention on the website	No mention on the website	<ul style="list-style-type: none"> <li>Recyclable food packaging and biodegradable plastic bags</li> <li>All personal care amenities made from biodegradable materials</li> <li>All amenities bottles recycled in a "Buy Back" programme</li> <li>Lightly used personal amenities are repurposed and donated to communities with limited access to sanitation products as part of Seven Seas Amenities' Used Soap Exchange Campaign</li> <li>Biodegradable rice straws which are later used as fertiliser for hotel plants</li> </ul>	<ul style="list-style-type: none"> <li>Company website mentions a social and sustainability policy</li> <li>Values and implements sustainability through promotion and adoption of environmental practices</li> <li>Values community welfare and implements CSR activities</li> <li>Go Green campaigns to raise awareness</li> <li>Participating in Agoda's Eco Labels programme to support marine and wildlife conservation</li> </ul>	
Hotel #5	No mention on website	Locally sourced ingredients	No mention on website	No other information available	
Hotel #6	No mention on website	No mention on website	No mention on website	Hotel is level 2 on Booking.com's Travel Sustainable Level	
Hotel #7	Water saving devices	LED lights Automatic air conditioning	Eco-friendly bathroom amenities Biodegradable cleaning products	<p>Company website mentions commitment to various philanthropic causes and brand's core mantras including "Save the Planet"</p> <ul style="list-style-type: none"> <li>Engages in various CSR activities to reduce food waste and observes Earth Hour</li> </ul> <p>Hotel is level 2 on Booking.com's Travel Sustainable Level</p>	

that hotels keen on attracting a wider clientele shy away from communicating these halal attributes so as to not alienate non-Muslim tourists or whether they rely on guests seeking out detailed information from other sources such as CrescentRating, ITC or even third-party booking platforms is not known. It is also possible that halal hotels have more confidence in their halal certifications and thus do not feel the need to provide substantial information on their websites.

With respect to the green practices of the hotels, hotels #1 2, 4 and 7 mention some practices such as the use of recyclable bins, re-use of towels and linen. Hotel # 4 is the most promising with its expansive green practices such as participation in buy-back programmes of bottles, recyclable food packaging and the use of biodegradable plastic bags. Hotels # 3, 5 and 6 barely mention any green practices. Of the top seven halal hotels in Malaysia, only hotels #1, 6 and 7 are listed as levels 1 or 2 on Booking.com's Travel Sustainable Goals and hotel #4 is listed as a participant in Agoda's eco-labels programme. Hotel # 7 also observes Earth Hour in March every year. It is also worth mentioning that much of the Green attributes are not easily apparent and requires a thorough analysis of the hotels and their parent companies' websites. None of the hotels in the sample was listed on the MOTAC's Green rated hotels either, while only two of the hotels, hotels #1 and 2 were listed in the halal rated hotels by the ITC. They are ranked as Platinum, the highest rating awarded and are part of the same group of hotels. This is worrying as mentioned earlier 76% of global travellers have expressed their intention to make more sustainable choices in future (Booking.com 2023 Sustainable Travel Report). This is also important for Muslim travellers as a growing number of Muslim travellers are prioritising environmental, ethical practices and well-being of local communities (MasterCard CrescentRating, 2023). Even more interesting are the findings from a recent study on Gen Z Muslim travellers by CrescentRating, reporting that up to 75% of Gen Z travellers surveyed expressed a willingness to spend more on sustainable practices when they travel. A good 45% of Muslim Gen Z's claim to be environmental enthusiasts and this is one of the main characteristics that define this segment (CrescentRating, 2023). Given that this segment will be a key segment for the future, it is imperative that hotels provide the relevant information.

While it may be assumed that given Malaysia's position as the leading OIC destination and their robust halal certification process gives hotels the confidence to not highlight all their halal attributes, it is imperative that they emphasise their green practices. In 2015, all nation-states of the United Nations adopted the 2030 Agenda for Sustainable Development, at the heart of which are 17 sustainability goals which aim to end poverty and other deprivations while addressing climate change and preserving our forests and oceans (United Nations <https://sdgs.un.org/goals>). Of the 17 United Nations sustainability goals, Abdou and El Dief (2020) observe that four sustainable development goals (SDG) are particularly important for the Green hotels: SDG 6, SDG7, SDG 12 and SDG 13 which relate to clean water and sanitation, affordable and clean energy, responsible consumption and production and climate action, respectively. Some of the leading global hotel chains such as the Marriott and Hilton directly address all 17 SDGS while the Accor and Wyndham groups strive to address 10 of the SDGs (Jones & Comfort, 2019). Given the growing importance of sustainability in

the hospitality and tourism sector, it is imperative that halal hotels start highlighting their green practices. Additionally, Islam recognised the importance of sustainable practices long before the advent of the modern economy. Islamic teachings advocate for preserving natural resources and protecting the environment (Battour et al., 2021). Islam states that natural resources have been created by Allah SWT with a purpose which is to provide sustenance. The importance of our planet and the treatment it rightfully deserves has been beautifully encapsulated in this beautiful hadith “It was narrated that Abu Sa’eed Khudri said: The Messenger of Allah (peace and blessings be upon him) said, “All the earth is a mosque, except for graveyards and hammam” (Sunan Ibn Majah 745, Book 4, Hadith 11—as cited by Majeed & Latif, 2020: 26). Islam also prohibits extravagance and wastage of any sorts as revealed in this verse “O children of Adam, take your adornment at every masjid, and eat and drink, but be not excessive. Indeed, He liked not those who commit excess (The Quran, 7:31). Further, Islamic Business Ethics also promote preservation of the environment which in turn influences consumer perceptions (Amine & Ouhna, 2023). It is therefore crucial that halal hotels start prioritising, investing and practising environmentally sustainable practices such as waste disposal or renewable energy use and emphasise sustainable consumption of products and services.

In addition to investing in the implementation of environmentally sustainable technology, halal hotels should also consider obtaining third-party green or environmental certifications such as Green Leaders and Green Tourism Active Standards. The globally recognised green certificates reassure customers of the green practices of hotels, which in turn is likely to help enhance customer satisfaction and the hotels’ brand image. Satisfaction of green purchases is often positively correlated with repeat purchases (Ling & Harizan, 2023). This is important especially since 75% of the Gen Z Muslim travellers are likely to spend more on sustainable practices during their travels (CrescentRating, 2023). As such, designing strategies that create awareness of the green programmes will benefit the hotels. Halal hotels marketing and brand managers would benefit by engaging with the digital natives through various social media platforms such as Instagram or TikTok. TikTok videos of the halal hotels green practices can be created and shared on the platforms. Videos can also be posted on the hotels’ websites. While TikTok videos may not always be noticed, hotel websites are an excellent source of information for hotel guests as they display the amenities, general practices and values. Additionally, for guests who may have booked on third-party booking sites such as Agoda or Expedia, information about the green practices or other related information such as certifications should be made visible to such guests. This could be achieved through creating and posting QR codes in the hotels’ public spaces such as the lobby or the swimming pools.

On a final note, the implementation of green practices cannot be achieved without trained personnel. It is recommended that hotel staff undergo extensive training to equip them with the necessary information of the hotels’ green policies and practices. In addition, the hotel management must also ensure that these policies are implemented without any compromises.

While this study is exploratory in nature, it has contributed to the existing body of literature in Islamic or halal tourism. Many studies have in the past focused on

the opportunities or challenges in Islamic or halal tourism (e.g. Al-Hamarneh & Steiner, 2004; Din, 1989; Razzaq et al., 2016) and others have emphasised on the halal attribute requirements by Muslim travellers (e.g. Putit et al., 2016; Wingett & Turnbull, 2017), this study provides insights on the scarcity of green practices in halal hotels in a leading Muslim-friendly holiday destination. Further, this study also highlights the insufficiency of information of halal attributes on the hotels' websites. While lack of adequate information on websites is not original to this study (e.g. Razzaq et al., 2016), it is nevertheless confirming that such a practice among halal-certified hotels may be more common than previously thought.

## Limitations and Directions for Future Research

While this exploratory study sheds some light on the green practices of the halal hotels in Malaysia, it is not without limitations. The study was conducted in only one country with a small sample base and thus lacks generalisability. It is also possible that halal hotels in other top Muslim-friendly destinations such as Indonesia, Turkey, United Arab Emirates and Egypt fare differently in their green practices. Future research involving cross-country comparisons may provide useful insights on the green practices of other halal hotels. Larger samples will also benefit future researchers to generalise their findings. The content analysis of the hotels' website provided useful insights into both the halal and green practices of the hotels, nevertheless, inadequate information provided on the websites does not give a true picture of the hotels' practices. Future researchers may explore these practices in depth through the adoption of other qualitative methods such as personal interviews or focus groups with the service providers.

## References

- Abdou, A. H., & EL DIEF, M. M. (2020). A description of Green Hotel Practices and their roles in achieving Sustainable Development. *Sustainability*, 12(2).
- Ahn, J., & Kwon, J. (2020). Green hotel brands in Malaysia: Perceived value, cost, anticipated emotion, and revisit intention. *Current Issues in Tourism*, 23(12), 1559–1574.
- Al-Hamarneh, A., & Steiner, C. (2004). Islamic tourism: Rethinking the strategies of tourism development in the Arab world after September 11, 2001. *Comparative Studies of South Asia, Africa and the Middle East*, 24(1), 173–182.
- Alserhan, B. A., Wood, B. P., Rutter, R., Halkias, D., Terzi, H. Al Serhan, O. (2018). The transparency of Islamic hotels: “Nice Islam” and the “self-orientalizing” of Muslims? *International Journal of Tourism Research*, 20(4), 475–487.
- Amine, M. E. A., & Ouhna, L. (2023). Islamic value and organizational ethics: A systematic literature review. In V. Ramadani, B. Alserhan, L. P. Dana, J. Zeqiri, H. Terzi, & M. Bayirli (Eds.), *Research on Islamic business concepts*. GIMAC 2022. Springer Proceedings in Business and Economics. Springer.

- Arasli, H., Saydam, M. B., Gunay, T., & Jafri, K. (2023). Key attributes of Muslim-friendly hotels' service quality: Voices from booking.com. *Journal of Islamic Marketing*, 14(1), 106–127.
- Baker, M. A., Davis, E. A., & Weaver, P. A. (2014). Eco-friendly attitudes, barriers to participation, and differences in behavior at green hotels. *Cornell Hospitality Quarterly*, 55, 89–99.
- Battour, M. (2018). Muslim travel behavior in Halal tourism. In L. Butowski (Ed.), *Mobilities, tourism and travel behavior: Contexts and boundaries* (pp. 3–16). InTech, Poland.
- Battour, M., Ismail, M. N., & Battor, M. (2011). The impact of destination attributes on Muslim tourist's choice. *Tourism Management*, 13, 527–540.
- Battour, M., Salaheldeen, M., Mady, K., & Elstouhy, M. (2021). Halal Tourism: What is next for Sustainability? *Journal of Islamic Tourism*, 1, 80–91.
- Bohdanowicz, P. (2005). European hoteliers' environmental attitudes. *Cornell Hotel and Restaurant Administration Quarterly*, 46, 188–204.
- Booking.com. (2023). Sustainable travel report.
- Camprubi, R., & Coromina, L. (2016). Content analysis in tourism research. *Tourism Management Perspectives*, 18, 134–140.
- CrescentRating. (2019). *Key faith based needs for Muslim Travellers*. <https://www.crescentrating.com/magazine/muslim-travel/3856/6-faith-based-needs-of-muslim-travelers.html>
- CrescentRating. (2023). *Crescent rating standards overview*. <https://www.crescentrating.com/rating-accreditations/hotels.html>. Accessed on 22.07.23
- Din, K. H. (1989). Islam and tourism: patterns, issues, and options. *Annals of Tourism Research*, 16(4), 542–563.
- Halal Tourism Market. (2022–2023). Retrieved from <https://www.futuremarketinsights.com/reports/halal-tourism-industry-overview>
- Haldorai, K., Kim, W. G., & Garcia, R. F. (2022). Top management green commitment and green intellectual capital as enablers of hotel environmental performance: The mediating role of green human resource management. *Tourism Management*, 88, 1–11.
- Han, H., Al-Ansi, A., Olya, H. G. T., & Kim, W. (2019). Exploring halal-friendly destination attributes in South Korea: Perceptions and behaviors of Muslim travelers toward a non-Muslim destination. *Tourism Management*, 71, 151–164.
- Han, H., Lee, J., Trang, H. L. T., & Kim, W. (2018). Water conservation and waste reduction management for increasing guest loyalty and green hotel practices. *International Journal of Hospitality Management*, 75, 58–66.
- Henderson, J. C. (2010). Sharia-compliant hotels. *Tourism and Hospitality Research*, 10(3), 246–254.
- Iwanowski, K., & Rushmore, C. (1994). Introducing the eco-friendly hotel. *Cornell Hotel and Restaurant Administration Quarterly*, 35, 34–38.
- Jones, P., & Comfort, D. (2019). Sustainable development goals and the world's leading hotel groups. *Athens Journal of Tourism*, 6(1), 1–14.
- Kasim, A. (2007). Towards a wider adoption of environmental responsibility in the hotel sector. *International Journal of Hospitality & Tourism Administration*, 8, 25–49.
- Khan, F., & Callanan, M. (2017). The “Halification” of Tourism. *Journal of Islamic Marketing*, 8(4), 558–577.
- Kirk, D. (1998). Attitudes to environmental management held by a group of hotel managers in Edinburgh. *International Journal of Hospitality Management*, 17, 33–47.
- Kolbe, R. H., & Burnett, M. S. (1991). Content-analysis research: An examination of applications with directives for improving research reliability and objectivity. *Journal of Consumer Research*, 18(2), 243–250.
- Kuuder, C. J. W., Bagson, E., Prempeh, V. M., Mumuni, A., Adongo, R., & Amoako, E. E. (2013). Energy, water and waste management in the accommodation sector of Tamale Metropolis, Ghana. *American Journal of Tourism Management*, 2(1A), 1–9.
- Ling, K. S., & Harizan, S. H. Md. (2021). Green marketing mix strategy and fast-moving consumer goods purchase behaviour during COVID-19 pandemic: Experiences from Malaysia. In V. Ramadani, B. A. Alserhan, L. P. Dana, J. Zeqiri, H. Terzi, & M. Bayirli (Eds.), *Research on*

- Islamic business concepts*. GIMAC 2021. Springer Proceedings in Business and Economics. Springer.
- Majid, K., & Latif, S. A. (2020). *Forty green Hadith: Sayings of the prophet Muhammad ﷺ on environmental justice & sustainability*. Retrieved from <https://cambridgecentralmosque.org/wp-content/uploads/2021/09/forty-green-hadith.pdf>
- Manaktola, K., & Jauhari, V. (2007). Exploring consumer attitude and behaviour towards green practices in the lodging industry in India. *International Journal of Contemporary Hospitality Management*, 19(5), 364–377.
- Mastercard CrescentRating. (2022). *Global Muslim travel index 2022*.
- Mastercard CrescentRating. (2023). *Global Muslim travel index 2023*.
- Mensah, I. (2006). Environmental management practices among hotels in the Greater Accra Region. *International Journal of Hospitality Management*, 25, 414–431.
- Millar, M., & Baloglu, S. (2011). Hotel guests' preferences for green guest room attributes. *Cornell Hospitality Quarterly*, 52, 302–311.
- Mohsin, A., & Alsawafi, A. M. (2011). Exploring attitudes of Omani students towards vacations. *An International Journal of Tourism and Hospitality Research*, 22(1), 35–46.
- Moliner, M. A., Monferrer, D., Estrada, M., & Rodriguez, R. M. (2019). Environmental sustainability and the hospitality customer experience: A study in tourist accommodation. *Sustainability*, 11, 5279.
- Putit, L., Muda, M., Mahmood, A. N., Taufek, N. Z., & Wahib, N. (2016). Linking 'Halal' friendly hotel attributes and customer satisfaction: The Islamic Tourism Sector. *Journal of Emerging and Islamic Research*, 4(4), 43–53.
- Quan, L., Kim, J. J., & Han, H. (2022). Customer views on comprehensive green hotel selection attributes and analysis of importance-performance. *Journal of Travel & Tourism Marketing*, 39(6), 535–554.
- Rahman, M. K., Zailani, S., & Musa, G. (2017). Tapping into the emerging Muslim-friendly medical tourism market: Evidence from Malaysia. *Journal of Islamic Marketing*, 8(4), 514–532.
- Razzaq, S., Hall, M. C., & Prayag, G. (2016). The capacity of New Zealand to accommodate the Halal Tourism market—Or not. *Tourism Management Perspectives*, 18, 92–97.
- Rehman, A. (2022). Halal travel “2.0” and beyond COVID-19. In B. A. Alserhan, V. Ramadani, J. Zeqiri, & L. P. Dana (Eds.), *Strategic Islamic marketing. Contributions to management science*. Springer.
- Sadom, M. N. Z., Quoquab, F., & Mohammad, J. (2022a). In search of frugality in the Malaysian hotel industry and the role of green marketing strategies and government initiatives. *Consumer Behaviour in Tourism and Hospitality*, 17(3), 264–281.
- Sadom, M. N. Z., Quoquab, F., & Mohammad, J. (2022b). “Waste not, want not”: Fostering frugality amongst Muslim tourists in Malaysian hotel industry. *Journal of Islamic Marketing*, 13(8), 1656–1684.
- Shafaei, F., & Mohamed, B. (2015). Malaysia's branding as an Islamic tourism hub: An assessment. *Malaysian Journal of Society and Space*, 11(1), 97–106.
- Shnyrkova, A., & Predvoditeleva, M. (2022). The needs of Muslim hotel customers: Evidence from Russian guests. *Journal of Islamic Marketing*, 13(1), 133–160.
- Singh, N., Cranage, D., & Lee, S. (2014). Green strategies for hotels: Estimation of recycling benefits. *International Journal of Hospitality Management*, 43, 13–22.
- Stephenson, M. L. (2014). Deciphering 'Islamic' hospitality: Developments, challenges and opportunities. *Tourism Management*, 40, 155–164.
- Tang, C. M. F., & Lam, D. (2017). The role of extraversion and agreeableness traits on Gen Y's attitudes and willingness to pay for green hotels. *International Journal of Contemporary Hospitality Management*, 29(1), 607–623.
- The Quran 7:31 (Saheeh International 1997)
- The Star. (2023, June 16). Malaysia is the 'best Muslim women-friendly' destination in the world. *The Star*. Retrieved from <https://www.thestar.com.my/lifestyle/travel/2023/06/16/malaysia-is-the-039best-muslim-women-friendly039-destination-in-the-world>

- Travel Weekly Asia. (2022). *The top OTAs for hotel bookings in Asia*. <https://www.travelweekly-asia.com/Travel-News/Travel-Agent-News/The-top-OTAs-for-hotel-bookings-in-2022>. Accessed 25.07.23.
- United Nations. (n.d.). *Department of economics and social affairs sustainable development the 17 goals*. Retrieved from <https://sdgs.un.org/goals>
- Vargas-Sanchez, A., & Moral-Moral, M. (2020). Halal tourism: Literature review and experts' view. *Journal of Islamic Marketing*, 11(3), 549–569.
- Wilson, J. A. J., & Liu, J. (2010). Shaping the Halal into a brand? *Journal of Islamic Marketing*, 1(2), 107–123.
- Wingett, F., & Turnbull, S. (2017). Halal holidays: Exploring expectations of Muslim-friendly holidays. *Journal of Islamic Marketing*, 8(4), 642–655.
- Yusof, M. F. M., & Muhammad, M. Z. (2013). *Introducing Shariah-compliant hotels as a new tourism product: the case of Malaysia*. Entrepreneurship Vision 2020: Innovation, Development Sustainability, and Economic Growth 2013 Proceedings of the 20th International Business Information Management Association Conference in Kuala Lumpur, Malaysia, IBIMA, Norristown, pp. 1142–1146.
- Yusof, Z. B., & Jamaludin, M. (2013). Green approaches of Malaysian green hotels and resorts. *Procedia—Social and Behavioural Sciences*, 85, 421–431.
- Yusof, Z. B., & Jamaludin, M. (2014, January 4–5). *Barriers of Malaysian green hotels and resorts*. Proceedings of AMER International Conference on Quality of Life, Kota Kinabalu, Sabah, Malaysia.
- Zamani-Farahani, H., & Henderson, J. (2010). Islamic tourism and managing tourism development in Islamic societies: The cases of Iran and Saudi Arabia. *International Journal of Tourism Research*, 12(1), 79–89.

**Dr. Ghazala Khan** is a senior lecturer from the Department of Marketing at Monash University Malaysia. Dr. Ghazala has won numerous teaching awards including the Best Lecturer Award for School of Business under the Monash University Student Association in 2005 and 2006. Dr. Ghazala is also a quadruple recipient for the PVC's Award for Excellence Teaching between 2008 and 2011. Her research interests lie primarily in consumer behaviour, Islamic marketing and Islamic Tourism. She has published in international refereed journals and books. She has also presented her work at numerous conferences and won best paper awards at International conferences.

**Faiza Khan** is a marketing lecturer at University College Birmingham. She has over 2 decades of teaching experience in a number of countries such as Malaysia, the UK, Lithuania, Belgium and Spain. She teaches various marketing subjects at both undergraduate and postgraduate levels as well as collaborates with industry clients on “live” projects with students. Her teaching interests include international marketing and emerging markets, consumer behaviour and marketing research. Her research interests include food marketing, social media marketing, Islamic marketing in particular halal food and halal tourism, which have led to frequently requests from media for her expert views.

**Sa'adiyah Munir** is a lecturer at Monash University Malaysia (MUM) with a Bachelor's Degree from the University of Malaya and a Ph.D. from the National University of Malaysia. She specialises in interdisciplinary research covering corporate governance and sustainability, yielding numerous publications in reputable journals. She is the recipient of several awards for her outstanding research papers. Sa'adiyah instructed undergraduate accounting subjects at the School of Business, MUM, emphasising an interactive teaching style rooted in engaging and effective teaching strategies. An award-winning educator, she integrates her acclaimed research prowess to provide a holistic learning experience.



# Factors Influencing Customers' Behavioral Intention in Online Banking: Second Order PLS-SEM



Abdelouahid Kouchih and Doha Lyoussi

**Abstract** The aim of this study is to investigate the factors that influence the behavioral intentions of Moroccan consumers when it comes to using online banking services. The data for this research was gathered through a survey conducted among 109 customers from various banks, using a convenient sampling method. The analysis model employed in this study is based on structural equations (SEM) and estimated using the partial least squares (PLS) approach. The findings of this study indicate that performance expectancy (PE), effort expectancy (EE), and facilitating conditions (FC) positively impact behavioral intentions, whereas social influence (SI), perceived benefits (PB), and perceived risk (PR) do not have a positive effect. Moreover, the results of this study can provide valuable insights for banking marketing professionals, enabling them to better comprehend the factors that shape the behavioral intentions of online banking users. This knowledge can assist them in effectively guiding their efforts toward encouraging long-term adoption.

**Keywords** Performance expectancy · Effort expectancy · Facilitating conditions · Social influence · Perceived benefits · Perceived risk

## Introduction

The rapid advancement of Internet technology, particularly the World Wide Web, has revolutionized business practices (Laukkanen & Cruz, 2009). The banking sector is no exception, with increasing utilization of the Internet as a platform for customer interactions and service delivery. This form of banking is commonly known as

---

*Present Address:*

A. Kouchih (✉) · D. Lyoussi

Faculty of Legal, Economic and Social Sciences—Law and Business Management Laboratory,  
Casablanca, Morocco

e-mail: [a.kouchih@gmail.com](mailto:a.kouchih@gmail.com)

D. Lyoussi

e-mail: [doha.lyoussi94@gmail.com](mailto:doha.lyoussi94@gmail.com)

online banking, albeit with significant variations in the range, sophistication, and innovation of products and services across different banking institutions. Online banking offers customers enhanced convenience, productivity, and satisfaction, while enabling banks to improve operational efficiency. Consequently, online banking represents a significant innovation not only in terms of production processes but also in terms of financial service distribution.

However, online banking is a complex innovation that cannot be simply classified as a product or process innovation, as it encompasses both in a seamless manner (Arif et al., 2016). While banking technology focuses on reducing distribution costs and optimizing operations, online banking services empower customers to manage their financial activities independently, without the need for physical branch visits. This dynamic also positions online banking as a product innovation, involving the creation of new financial offerings and innovative combinations of existing ones.

Currently, banks worldwide provide a wide array of financial products and services online. Morocco has witnessed significant growth in the availability of online financial services. Considering this development, the present study on “Factors Influencing Customers’ Behavioral Intention in Online Banking: The Case of Morocco” aims to explore the demand and acceptance of online banking services among Moroccan consumers. Additionally, the study seeks to identify the various factors that influence the acceptance process of these online services (Ananda et al., 2020).

To achieve this objective, we have chosen the UTAUT 2 model, which encompasses relevant factors for evaluating customers’ behavioral intention in online banking among Moroccan consumers. The model will be validated through a confirmatory quantitative analysis utilizing the structural equation modeling approach, specifically employing the PLS method.

This paper is structured into several sections. Firstly, we discuss the emergence of digital banking players and their increasing presence, as well as the evolving decision-making processes of consumers in response to this digital transformation. Next, we present the UTAUT 2 model and the research hypotheses, emphasizing the factors that influence the choices made by Moroccan consumers. Subsequently, we outline our methodology, present the obtained results, engage in a discussion, and finally, provide implications of our findings along with a comprehensive conclusion.

## Literature Review

### *Banking Actors and Their Proliferation in the Digital World*

Whether in Morocco or elsewhere, all banks are faced with and respond to the challenges of digital transformation, with different approaches and strategies, due to a difference in understanding of this digital transformation, which today constitutes one of the main conditions for rebirth in an increasingly competitive market. The proliferation of banking actors in digital transformation is not a new trend, but

its appearance in Morocco has been facilitated and understood in depth with the emergence of the Covid-19 crisis, which changed behaviors where opinion was not personal, on the contrary, any action was associated with a warning of a resurgence of the virus. On the other hand, the role of banking institutions was to promote the digital delivery of financial products and services to customers to create a favorable customer experience.

The advancement of digital technology in the financial industry has become a major issue that will stimulate the efficiency and productivity of banks (Lipton et al., 2016), and going back can lead to disappearance especially in a potentially expanding market.

In this regard, the digital transformation of conventional banks in Morocco has been to engage the digital bank in them (Click and Mortar), to position themselves in a new ecosystem, this digital transformation depends on several phases and circumstances to reach a certain level of growth (Cuesta et al., 2015).

The digital circumstances for the integration of digital services in the banking sector can be at the physical, strategic, structural, or organizational level, but the most important is the delivery of high-quality products and services since the financial sector is one of the most sensitive sectors. From this perspective, the customer cannot accept the service if it does not contain diverse essential fundamental factors such as quality, risk management, usefulness, and expected need, etc.

Meanwhile, banking actors innovate among themselves, and strive to meet the needs of their target customer base with the same level of competition, until new actors (PurePlayers) appear, a new mode of competition, a new customer behavior, and a new stage of innovation and growth begin, thus, the level of competitiveness differs, and it is time to restructure the bank's operational model, seek a new strategic positioning, and adapt to better meet customer needs.

### ***Consumer Decision-Making Process Development***

Consumer behavior is generally not stable, especially in Morocco. In this regard, digital transformation has opened a huge door for the customer, making them more selective and capable of adopting a new behavior based on new digital trends.

Firstly, young customers could compare digital banking services quickly to decide which bank is most effective for them, unlike older individuals. This is due to a poor understanding of consumer behavior, which is the main target of all banks. In this perspective, banks must focus on the development of a customer-centric experience. In fact, customer experience is a key factor that marketers must consider when generating and defining a marketing plan (Sorofman et al., 2015).

However, the Moroccan customer can adapt to anything, if digital services are offered to make their life easier, bearing in mind that digital innovation aims to facilitate life, not the opposite. Otherwise, customers expect to use digital banking services like social media and strive to use services anytime, anywhere, and under any circumstances (Dootson et al., 2016).

The case of social media is a good example of inspiration, the way of scrolling pages up and down, as well as the loading speed, lead to a perceived ease, which is one of the factors among all the factors creating a customer-friendly experience.

Digital banking experiences include the quality of service, perceived value, personalization of service, digital banking innovation, perceived ease, and perceived risk (Mbama et al., 2018). Including other factors that cannot be controlled by banks, such as demographic and behavioral factors.

It is worth noting that the digitalization of the bank also has implications for users, such as privacy, security, time and performance risk, and other associated risks (Alkhowaiter, 2020; Mbama et al., 2018). These implications should be part of the priority factors or central topics on which the bank can innovate, otherwise, they can tarnish the bank's reputation while leading it to a decline level.

Tesfom (Tsegay) and Birch (2011) Given these facts, this generation becomes an important customer for banks and cannot afford to not meet its demands and expectations. For it is the era of the educated consumer, people are much more informed about the goods and services they want to buy today (Parise et al., 2016).

The question of how customers change banks has attracted the attention of several researchers around the world, in Jordan, Germany, Bangladesh, Cameroon, China, Japan, Malaysia, and other countries. Several factors have been identified, depending on the studied population. The exploration of these studies enables banks to properly identify the appropriate marketing strategies to attract customer attention and retain existing customers.

## Research Hypotheses and Model

### *Research Hypotheses*

#### **Performance Expectancy (PE)**

Our first latent variable can be defined as “the degree to which an individual believes that using technology will help them achieve advantageous outcomes that will aid them in their professional life” (Venkatesh et al., 2003), in this case the adoption behavior believes that if they use a digital bank, it has given them professional performance. This factor depends on several sub-factors such as perceived usefulness, extrinsic motivation, and outcome expectations. In fact, several researchers have shown its significant role as (Brandl & Hornuf, n.d., University of Arkansas et al., 2016).

***H1:*** *Performance expectancy has a positive effect on behavioral intention when choosing banking technology.*

### **Effort Expectancy (EE)**

Effort expectancy, also known as perceived ease of use, is a key factor in the adoption of banking technologies. This concept refers to the degree of perceived ease associated with using online or mobile banking services. It encompasses two main aspects: ease of use and perceived complexity. If a banking application or online service is perceived as being easy and straightforward to use, without requiring excessive effort or advanced technical skills, users will be more motivated to adopt it. For example, an intuitive user interface, clearly defined functionalities such as checking balances, transferring money, and paying bills with just a few clicks, and a fast, barrier-free learning process all contribute to a positive perception of ease of use.

Studies, such as that by Chauhan and Jaiswal (2016), have shown that effort expectancy has a significant impact on users' behavioral intention to adopt banking technologies. When customers perceive that a banking application requires little effort to use effectively, their intention to adopt it increases significantly. On the other hand, an application that is perceived as complex or difficult to master can discourage potential users and reduce their willingness to adopt it. So, developers and financial institutions need to focus on simplifying interfaces and processes to minimize perceived complexity and maximize acceptance and adoption of new banking technologies.

*H2: Effort expectancy has a positive effect on behavioral intention when choosing banking technology.*

### **Social Influence (SI)**

We have chosen SI as an important factor to help analyze the influence of the consumer's decision-making process from the external environment and can be defined as "the degree to which an individual perceives that important people think he or she should use the new system" (Venkatesh et al., 2003). In the banking context, this factor shows that users can be strongly affected by the opinion of those around them, such as friends, family, or colleagues. When these important people approve or recommend the use of a particular banking application or online service, this can positively influence the user's subjective image and increase their likelihood of adopting it. In other words, social approval plays a key role in shaping people's behavioral intentions with regard to financial services.

Numerous studies, including Chauhan and Jaiswal (2016), indicate that social influence positively affects behavioral intention when adopting banking technology. For example, if work colleagues use and recommend a banking app because of its perceived benefits, a potential user will be more likely to follow their lead. Similarly, positive reviews shared on social networks or testimonials from family and friends can build trust and reduce reluctance to adopt new banking technologies. As a result, financial institutions need to recognize the importance of social influence and encourage positive feedback and recommendations from their existing users to

drive adoption of their new banking technologies. By highlighting testimonials and positive reviews from satisfied customers, banks can leverage social influence to improve the acceptance and adoption of their technological innovations.

*H3: Social influence has a positive effect on behavioral intention when choosing banking technology.*

### **Facilitating Conditions (FC)**

Facilitating conditions are defined as “the degree to which an individual believes that organizational and technical infrastructure exists to support system use” (Venkatesh et al., 2003), the main role of this factor is tracking technology trends, aimed at ensuring users that the organization contains all the necessary technologies that will help meet all their expectations. The aim of the enabling conditions is to monitor technological trends and ensure that the organization has the technologies it needs to meet the expectations and requirements of its users. This means that the organization must be proactive in acquiring and updating technologies, as well as adapting its processes to integrate these new solutions.

However, enabling conditions are crucial to creating an environment where users feel supported and confident in using new technologies. They ensure that the organizational and technical infrastructures are in place, enabling effective adoption and use of innovative systems.

H4: Facilitating conditions have a positive effect on behavioral intention when choosing banking technology.

### **Perceived Benefits (PB)**

Perceived benefits are defined as “the perception of users that the use of technology leads to privileged services”. The aim of this factor is to ensure that the technology can provide users with tangible benefits in terms of saving time, reducing costs, and saving effort. These benefits are essential because they directly influence users’ behavioral choices. For example, a banking technology that enables fast, secure transactions at no extra cost will be perceived as beneficial and therefore more likely to be adopted.

Several studies, such as that by Ryu (2018), have shown that perceived benefits play a crucial role in consumers’ decision-making process when it comes to banking technologies. These studies show that when users perceive clear and meaningful benefits, their intention to adopt and use these technologies increases significantly. In short, perceived benefits are a key factor in the adoption of banking technologies, as they address the practical needs of users, making their adoption decision easier.

*H5: Perceived benefits have a positive effect on behavioral intention when choosing banking technology.*

## Perceived Risk (PR)

In a technological banking context, behavioral intention can be influenced by the risk factor. This factor refers to the security associated with online financial transactions. Essentially, it's about how much worry or fear a person feels about what might go wrong with their choice. Likewise, the perceived risk is the perception of uncertainties and possible negative consequences associated with the purchase or use of a product. In the banking sector, this risk can vary depending on several factors, such as the nature of the financial services, their specific characteristics, and the circumstances in which they are offered. This perception plays a crucial role in consumer behavior, particularly when it comes to adopting banking innovations.

Several marketing studies have examined the relationship between perceived risk and behavioral intention to adopt innovations. These researches generally shows that perceived risk is negatively correlated with behavioral intention (Chan & Lu, 2004; Samartha et al., 2022). This means that the higher the risk customers perceive associated with a new banking service, the less likely they are to intend to adopt it. For example, Arndt (1967) found that individuals with a strong aversion to risk tended to be more loyal to traditional banks and less inclined to try new financial services. Similarly, Robertson (1971) confirmed this negative correlation between the adoption of innovations and perceived risk. Ostlund (1969) added that when the level of perceived risk is low, the behavioral intention to adopt new banking innovations is higher.

In short, perceived risk is a determining factor in behavioral intention to adopt a new banking product. Customers who perceive a low level of risk are more likely to intend to adopt innovations, while those who perceive a high level of risk are less likely to do so. This highlights the importance for banks to manage and minimize perceptions of risk to encourage positive behavioral intent toward their new financial services. Similarly, previous research has shown that the perceived risk associated with online financial transactions can have a significant positive impact on behavioral intention (Corbitt et al., 2003; Javed, 2018; Martins et al., 2014). It should be noted that perceived risk can have a positive effect on behavioral intention in the banking sector when customers associate it with a technological advance or a high-quality service. When they are well informed and reassured by robust security measures and clearly communicated benefits, the initial risk can be transformed into a sign of sophistication and added value. In this way, banks can use effective management of perceived risk to boost customer confidence and encourage the adoption of new financial technologies.

**H6:** *Perceived risk has a positive effect on behavioral intention when choosing technology banking.*

## ***Research Model***

Several models and theories have been brought forward to analyze user behavior toward new technologies, but many of them have roots in different disciplines that limit the process of analyzing behavioral intention. For example, the theory of planned behavior is an improvement on the theory of reasoned action that is focused on social psychology while combining the attitude factor with behavior in human action (Ahmed, 2023; Ajzen, 2011). Furthermore, the theory of innovation diffusion highlights specific factors that determine the adoption of technological innovation (Moore & Benbasat, 1991). These models/theories interpret generic information, making them applicable in a wide range of contexts.

From this composition, a unified approach was necessary to join variables dealing with different perspectives and increase the utility of the theory in different contexts. On the other hand, Venkatesh et al. (2003) set the goal of developing the technology acceptance theory while incorporating several concepts with the aim of predicting behavioral intention.

In comparison with other theories and models, our study has opted for the UTAUT 2 model, initially introduced by (Venkatesh et al., 2003), as it provides a comprehensive framework for understanding behavioral intention when introducing a technology to the market. We have extended this model by incorporating additional factors that influence customers' behavioral intention in the context of online banking, specifically considering the unique circumstances of Morocco as a developing country. It is worth mentioning that several studies have also explored these factors, including the works of Khatun and Tamanna (2020), Al Nawayseh (2020), and Windasari et al. (2022).

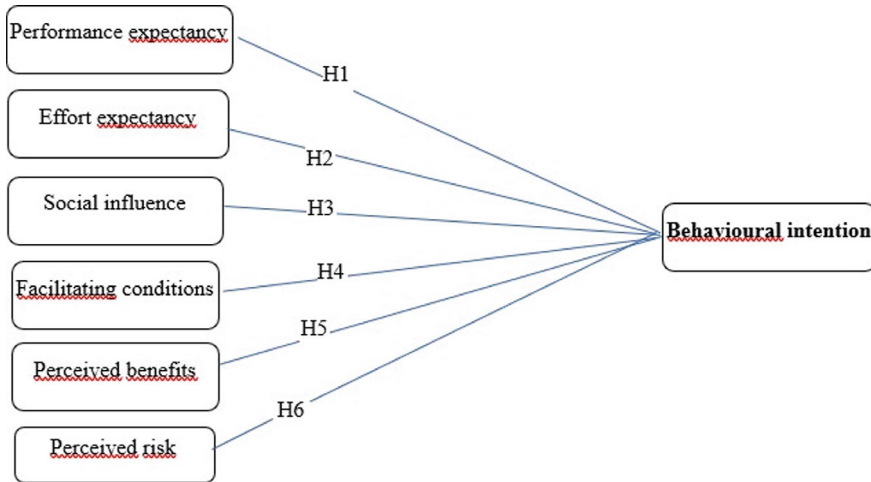
To enhance the applicability of the UTAUT 2 model within the Moroccan context, we conducted an analysis focusing on various factors that potentially influence the behavioral intention and usage of online banking among Moroccan users. This analysis encompassed diverse data sources and specialized academic publications. The findings of this analysis revealed additional factors that should be considered to improve the comprehension and prediction of behavioral intention toward e-banking among Moroccan users. Consequently, we have incorporated these identified factors into the UTAUT 2 model, aiming to enhance its relevance and robustness specifically within the Moroccan context (Fig. 1).

## **Research Methodology**

### ***Method Approach***

The choice of a positivist (amended positivism) methodological approach, specifically employing the hypothetical deductive method, is motivated by the objective of rigorously examining the factors influencing the behavioral intentions of Moroccan





**Fig. 1** Modified UTAUT model (second-order formative model). *Source* Author

consumers in their utilization of online banking services. Positivism emphasizes empirical observation and measurement, aiming to establish causal relationships based on objective evidence. By employing the hypothetical deductive method, this study follows a structured and logical process, starting with hypotheses derived from existing theories or observations and testing them through empirical data analysis. This approach ensures transparency, objectivity, and replicability, enhancing the validity and reliability of the findings. Ultimately, this study contributes to the understanding of the factors impacting Moroccan consumers' behavioral intentions in online banking, advancing knowledge in the field.

### ***Method Choice***

In this study, we examine the impact of UTAUT 2 model factors on consumer behavioral intention, considering behavioral intention as an independent variable and other factors as dependent variables. We proceed in four steps: development of the conceptual model, parameter estimation (using PLS method), model evaluation, and adjustment based on results. We use the PLS method to estimate structural equation models due to the limited sample size. This approach, developed by Wold (1973, 1980), is based on variance analysis and uses the partial least squares method. Structural equation models allow us to analyze the linear effects of latent variables, evaluate validity, reliability, and internal validity of instruments. The LISREL (Linear Structural Relationships) method was also considered but was not chosen due to the need for data multi-normality and covariance structure analysis, which was not practical for the study in question.

## ***Presentation of the Sample and Measurement Items***

### **Presentation of the Sample**

The sampling process in this scientific research was conducted with careful consideration of relevant criteria to ensure the validity and reliability of the obtained results. The collected data from the chosen sample was utilized to analyze and draw conclusions regarding the factors that influence behavioral intention among Moroccan citizens. Additionally, to ensure the relevance of both the population and sample, it was essential to include individuals who regularly and frequently utilize online banking services to fulfill their financial requirements. However, differences in sex or age in the sampling process were not considered, meaning that all individuals had an equal chance of receiving the questionnaire. This was done to avoid biases in data collection, which can affect the research results. In short, the sampling carried out was done with a rigorous methodology to ensure the validity and reliability of the results obtained, which is crucial for scientific research.

### **Measurement Items**

A questionnaire survey was created to test the proposed research plan for this study, using a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5). The survey items were created based on previous research. There are independent and dependent variables in the model. Each variable was measured as follows: Effort expectancy (EE) measured by 2 items, performance expectancy (PE) by three items. Social influence (SI) is measured by two items. Facilitating conditions (FC) measured by three items. Perceived benefits (PB) measured by five items, and perceived risks (PR) measured by four items. Behavioral intention (BI) is measured by three items. All measures are presented in the table.

### ***Demographic Information***

The collected data revealed a distribution of 46.8% of male respondents and 53.2% of female respondents. Regarding the age distribution, 64.2% of respondents were between 25 and 35 years old, 16.5% were between 18 and 25 years old or between 35 and 45 years old, and the rest was distributed in other age categories. In terms of occupation, 31% of respondents were from the public sector, 27% were employees, 22% were students, 9% were self-employed professionals, and the remaining 11% were merchants and independent workers. This demographic profile is represented in Table 1 (demographic information).

**Table 1** Demographic information

<i>Gender</i>	
Male	Female
51	58
<i>Age</i>	
Between 18 and 25	18
Between 25 and 35	70
Between 35 and 45	18
Over 45	3
<i>Profession</i>	
Public sector	34
Employees	30
Students	29
Liberal profession	10
Traders	5
Entrepreneurs	1
<i>Salary</i>	
Less than 3000 dhs	28
Between 3000 and 6000 dhs	18
Between 6000 and 8000 dhs	18
Between 8000 and 10,000 dhs	16
More than 10,000 dhs	29

## ***Measurement Model Evaluation***

### **Reliability Measurement**

The validity of the measurement models is determined by three elements: Cronbach's Alpha should be  $> 0.6$ , composite reliability (CR) should be  $> 0.7$ , and Average Variance Extracted (AVE) should be  $\geq 0.5$ . For the behavioral intention (BI), the Cronbach's Alpha is equal to 0.631, the composite reliability (CR) is equal to 0.792, and the Average Variance Extracted (AVE) is equal to 0.546. For effort expectancy (EE), the Cronbach's Alpha, composite reliability (CR), and Average Variance Extracted (AVE) are equal to 1. For facilitating conditions (FC), the Cronbach's Alpha is equal to 0.746, the composite reliability (CR) is equal to 0.855, and the Average Variance Extracted (AVE) is equal to 0.664. For perceived benefit (PB), the Cronbach's Alpha is equal to 0.927, the composite reliability (CR) is equal to 0.948, and the Average Variance Extracted (AVE) is equal to 0.821. For performance expectancy (PE), the Cronbach's Alpha is equal to 0.789, the composite reliability (CR) is equal to 0.875, and the Average Variance Extracted (AVE) is equal to 0.700. For perceived risk (PR) and social influence (SI), the Cronbach's Alpha, composite reliability (CR), and Average Variance Extracted (AVE) are equal to 1 (Table 2).

**Table 2** Cronbach’s alpha, composite reliability, and AVE

	Cronbach’s alpha	rho_A	Composite reliability	Average variance extracted (AVE)
BI	0.631	0.711	0.792	0.564
EE	1.000	1.000	1.000	1.000
FC	0.746	0.775	0.855	0.664
PB	0.927	0.929	0.948	0.821
PE	0.789	0.824	0.875	0.700
PR	1.000	1.000	1.000	1.000
SI	1.000	1.000	1.000	1.000

The reliability of a measurement scale is an important indicator of the quality of the results it produces. It measures the stability and coherence of scores obtained from the scale’s items.

To evaluate the reliability of a measurement scale, two indicators are generally used: composite reliability and the Cronbach’s Alpha coefficient.

Composite reliability measures the stability of scores obtained from all the scale’s items. To be considered reliable, composite reliability must be above a threshold value, generally set at 0.7.

The Cronbach’s Alpha coefficient measures the internal coherence of the measurement scale. This indicator is obtained by comparing the covariance between the scale’s items and the total variance of the scores obtained from these items. To be considered reliable, the Cronbach’s Alpha must be higher than a threshold value of 0.6 to be defined as acceptable.

In addition to reliability, it is also important to evaluate the validity of measurement scales. Convergent validity (AVE) is an indicator of the validity of a measurement scale. This indicator measures the scale’s ability to discriminate between differences in scores obtained from different constructs. To be considered valid, the convergent validity (AVE) must be greater than or equal to 0.5 for all constructs.

In conclusion, the reliability and validity of measurement scales are important indicators of the quality of the results produced. In this case, composite reliability is above 0.7 and the Cronbach’s Alpha is above 0.6, indicating that the items are reliable. Convergent validity (AVE) also conforms to the statistical standard, ranging between 0.5 and 1 for all constructs, meaning that the measurement scales are valid.

### **Discriminant Validity**

The Fornell and Larcker (1981) criterion is used to verify the discriminant validity of all constructs. This analysis measures the correspondence between the value of the square root of the discriminant validity (AVE) and the value of the highest correlation for a construct with respect to all other constructs.

**Table 3** Discriminant validity value

BI		EE	FC	PB	PE	PR	SI
BI	0.751						
EE	0.858	1.000					
FC	0.344	0.209	0.815				
PB	0.743	0.527	0.455	0.906			
PE	0.631	0.434	0.307	0.688	0.837		
PR	0.119	0.067	0.294	0.203	0.143	1.000	
SI	0.077	-0.024	0.311	0.149	0.147	0.079	1.000

The analysis is based on the idea that latent variables must explain item variation with more precision than other latent variables. The results of the analysis are presented in the form of a table, where the highest AVE values are compared to the correlation values for each construct with respect to the parent construct.

In summary, the Fornell & Larcker criterion is a useful tool for evaluating discriminant validity of constructs. It compares discriminant validity (AVE) to the highest correlation for each construct and shows if latent variables can explain item variation with more precision than other latent variables.

According to Table 3, we can affirm that the model presents good discriminant validity. The table shows that the total roots of each construct have a value greater than their associated latent values; this is due to the square root of the AVE in each construct that produced a value higher than its correlation value.

### ***Structural Model Evaluation***

The analysis starts by evaluating the model using the coefficient of determination ( $R^2$ ) measurement. This value is determined using a statistical technique called bootstrapping, which involves re-sampling 5000 observations. The goal is to determine the relevant path coefficients for the analysis.

### **Path Coefficient Values**

We performed bootstrapping with 5000 numbers to see to what extent our results support the hypotheses. According to what follows in Table 4, the first hypothesis is significant because the “ $T$  value” is  $2.683 > 1.96$  and the  $p$  value is  $0.008 < 0.05$ ; however, the second hypothesis is significant because the “ $T$  value” is  $12.622 > 1.96$  and the  $p$  value is  $0.000 < 0.05$ . The third hypothesis is insignificant because the “ $T$  value” is  $0.452 < 1.96$  and the  $p$  value is  $0.652 > 0.05$ ; the fourth hypothesis is also not significant because the “ $T$  value”  $0.606 < 1.96$  and the “ $p$  value” is  $0.545 > 0.05$ ; the fifth hypothesis is significant because the “ $T$  value” is  $4.357 > 1.96$  and the “ $p$

**Table 4** Determination of BETA and test results

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics ( O/STDEV )	p values
PE → BI	0.140	0.140	0.052	2.683	<b>0.008</b>
EE → BI	0.635	0.626	0.050	12.622	<b>0.000</b>
SI → BI	0.019	0.020	0.041	0.452	<b>0.652</b>
FC → BI	0.031	0.035	0.051	0.606	<b>0.545</b>
PB → BI	0.298	0.304	0.068	4.357	<b>0.000</b>
PR → BI	-0.015	-0.017	0.038	0.389	<b>0.697</b>

In the table, the bold text in the “p values” column highlights the statistical significance of the relationships between the variables. The p-value indicates the probability of observing the data given that the null hypothesis is true. A common threshold for determining significance is 0.05

- If the p-value is less than 0.05, the relationship is considered statistically significant, meaning there is strong evidence against the null hypothesis, and the effect observed is likely not due to chance
- If the p-value is greater than 0.05, the relationship is not considered statistically significant, suggesting that the observed effect could be due to random variation. In this table, the bold p-values indicate statistically significant relationships between the latent variables (e.g., PE → BI, EE → BI, and PB → BI) because they are below the 0.05 threshold

value” is  $0.000 < 0.05$ ; and the last hypothesis is also insignificant because the “T value” is  $0.389 < 1.96$  and the “p value” is 0.697 (Fig. 2).

**Explanatory Quality Measure Indicator ( $R^2$  Coefficient)**

The  $R^2$  coefficient for the endogenous variables in our construct is higher than 0.19 according to the results of Smart-PLS, as indicated in Table 5. This result is considered significant according to (Chin & Marcoulides, 1998).

**Overall Measurement Indicator ( $Q^2$ , GoF)**

The  $Q^2$  value was found to be greater than zero, that is, 0.430 for behavioral intention, which means the model is predictive in nature.

The calculation of the goodness-of-fit (GoF) index must be higher than 0.1. The value of GoF is equal to 0.84 which means the model is wide enough for the overall validity of the PLS model (Wetzels & Odekerken, 2009).

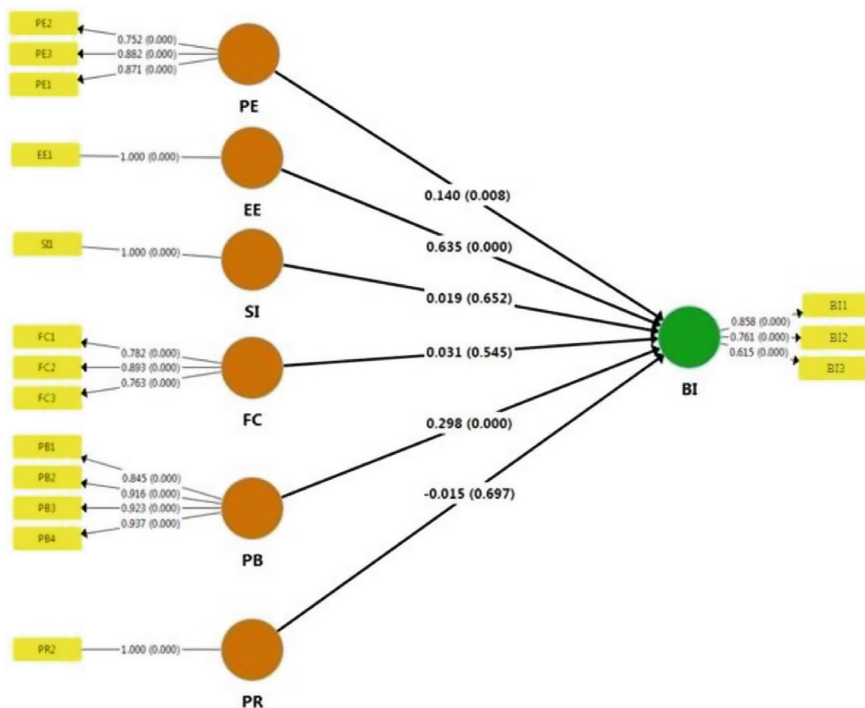


Fig. 2 Smart-PLS—path coefficient analyses. *Source* Author

Table 5  $R^2$  coefficient

	$R^2$	$R^2$ adjusted
BI	0.865	0.857

## Results and Discussion

The results of our study indicate that the behavioral intention of Moroccan users is significantly influenced by three factors: effort expectancy, performance expectancy, and perceived advantage. This confirms the results of previous studies such as Javed (2018) and Abu-taieh et al. (2022).

However, other factors such as social influence, facilitating conditions, and perceived risk did not show a significant effect on behavioral intention. These results are also supported by previous research such as Samartha et al. (2022) and Fadare et al. (2016).

In summary, our results show that the three key factors of effort expectancy, performance expectancy, and perceived advantage play a crucial role in the behavioral intention of Moroccan users, while the other factors examined have no significant

effect. This information can be used to inform strategies to encourage a particular behavior among Moroccan users.

## **Managerial Implications**

The proposed model could have practical implications for researchers and academics, as well as financial institutions. Financial institutions could use the results to develop new customer acquisition and loyalty strategies by identifying the significant and non-significant factors that influence the behavioral intentions of Moroccan consumers. Financial technology may be perceived differently by consumers, but the chances of adoption are higher when the effort required to use the technology is minimal and when the industry adopts a socialist approach. Financial decision-makers should therefore take these three factors into account to increase the adoption of online banking services by Moroccan citizens. Therefore, this study may contribute to the goal of promoting online service adoption, which in turn can enhance financial inclusion in the country without the need for banks to deploy significant resources for the launch of new digital innovations.

## **Conclusion**

In conclusion, the primary objective of this study was to investigate the factors influencing customers' behavioral intention toward online banking in Morocco and assess the applicability of the UTAUT2 model in predicting behavioral intentions. The findings revealed that half of the variables in the UTAUT2 model had a significant impact. Notably, effort expectancy emerged as the most influential factor affecting consumer behavioral intentions. Facilitating conditions were also identified as a crucial element in the acceptance of online banking services. Moreover, performance expectancy was deemed significant for adoption, which aligns with the notion that innovations must offer tangible benefits. Overall, the collected data and analysis affirmed the suitability of the UTAUT2 model as an effective framework for comprehending technology adoption. This study significantly contributes to the understanding of factors that shape customers' behavioral intention in online banking in Morocco and strengthens the relevance of the UTAUT2 model within this context.

It is also important to note that the results of this study can be used by Moroccan banks to improve their marketing and product development strategies for online banking services. By understanding the key factors influencing behavioral intention, banks can adjust their offerings to meet the needs and expectations of Moroccan consumers. However, they can also use these results to improve training and communication with consumers to increase their confidence and adoption of online banking services. Finally, the results of this study can also be used to guide future research on technology adoption in this field.



## Annex

See Tables 6 and 7.

**Table 6** Discriminant validity—cross loading

	BI	EE	FC	PB	PE	PR	SI
BI1	0.858	1.000	0.209	0.527	0.434	0.067	-0.024
EE1	0.858	<b>1.000</b>	0.209	0.527	0.434	0.067	-0.024
FC1	0.243	0.131	<b>0.782</b>	0.327	0.226	0.310	0.254
FC2	0.331	0.196	<b>0.893</b>	0.412	0.306	0.192	0.224
FC3	0.256	0.178	<b>0.763</b>	0.368	0.206	0.240	0.297
BI2	0.761	0.411	0.386	0.788	0.516	0.178	0.105
PB1	0.637	0.484	0.348	<b>0.845</b>	0.630	0.261	0.067
PB2	0.686	0.451	0.459	<b>0.916</b>	0.594	0.156	0.193
PB3	0.647	0.466	0.396	<b>0.923</b>	0.679	0.181	0.121
PB4	0.717	0.507	0.441	<b>0.937</b>	0.596	0.144	0.152
BI3	0.615	0.307	0.216	0.368	0.568	0.019	0.174
PE2	0.379	0.199	0.202	0.423	<b>0.752</b>	0.031	0.212
PE3	0.585	0.419	0.350	0.655	<b>0.882</b>	0.210	0.086
PR2	0.119	0.067	0.294	0.203	0.143	<b>1.000</b>	0.079
SI1	0.077	-0.024	0.311	0.149	0.147	0.079	<b>1.000</b>
PE1	0.582	0.424	0.206	0.612	0.871	0.090	0.107

The bold values in the table titled “Discriminant validity—cross loading” indicate the highest factor loadings for each item on their respective constructs. This highlights that each item loads most strongly on its intended construct compared to other constructs, ensuring discriminant validity. Here’s what each bold value signifies: BI1, EE1, FC1, FC2, FC3, PB1, PB2, PB3, PB4, PE2, PE3, PR2, and SI1 have the highest loading values on their respective constructs (BI, EE, FC, PB, PE, PR, and SI). This means:

- BI1 has the highest loading on EE (1.000)
- EE1 has the highest loading on EE (1.000)
- FC1 has the highest loading on FC (0.782)
- FC2 has the highest loading on FC (0.893)
- FC3 has the highest loading on FC (0.763)
- PB1 has the highest loading on PB (0.845)
- PB2 has the highest loading on PB (0.916)
- PB3 has the highest loading on PB (0.923)
- PB4 has the highest loading on PB (0.937)
- PE2 has the highest loading on PE (0.752)
- PE3 has the highest loading on PE (0.882)
- PR2 has the highest loading on PR (1.000)
- SI1 has the highest loading on SI (1.000)

**Table 7** GOF calculation element

Latent variable	AVE	R <sup>2</sup>
BI	<b>0.564</b>	0.865
EE	<b>1.000</b>	
FC	<b>0.664</b>	
PB	<b>0.821</b>	
PE	<b>0.700</b>	
PR	<b>1.000</b>	
SI	<b>1.000</b>	
Moyenne	0.821	0.857
<b>GoF</b>	<b>0.840</b>	

In the table, the row labeled “GoF” likely stands for “Goodness of Fit.” The value in this row (0.840) represents the Goodness of Fit index for the model being assessed. This index is a measure of how well the observed data fit the model, with values closer to 1 indicating a better fit

The “Moyenne” row shows the average values for the AVE (Average Variance Extracted) and R<sup>2</sup> (Coefficient of Determination) across the different latent variables listed (BI, EE, FC, etc.). The significance of the bolded “GoF” in this context is to highlight the overall Goodness of Fit of the model, summarizing the quality of the model’s fit to the data based on the AVE and R<sup>2</sup> values

## Bibliography

- Abu-Taieh, E., Alhadid, I., Abu-Tayeh, S., Masa’deh, R., Alkhaldeh, R., Khwaldeh, S., & Alrowwad, A. (2022). Continued intention to use of m-banking in Jordan by integrating UTAUT, TPB, TAM and service quality with ML. *Journal of Open Innovation Technology Market and Complexity*, 8, 120. <https://doi.org/10.3390/joitmc8030120>
- Ajzen, I. (2011). The theory of planned behaviour: Reactions and reflections. *Psychology & Health*, 26(9), 1113–1127. <https://doi.org/10.1080/08870446.2011.613995>
- Ahmed, A. H. (2023). The impact of attitude and subjective norms on customers behavior toward islamic banking: Evidence from palestine. In V. Ramadani, B. A. Alserhan, L. P. Dana, J. Zeqiri, H. Terzi, & M. Bayirli (Eds.), *Research on Islamic business concepts. GIMAC 2021*. Springer Proceedings in Business and Economics. Springer. [https://doi.org/10.1007/978-3-031-18663-9\\_4](https://doi.org/10.1007/978-3-031-18663-9_4)
- Al Nawayseh, M. K. (2020). FinTech in COVID-19 and beyond: What factors are affecting customers’ choice of FinTech applications? *Journal of Open Innovation: Technology, Market, and Complexity*, 6(4), 153. <https://doi.org/10.3390/joitmc6040153>
- Alkhowaiter, W. A. (2020). Digital payment and banking adoption research in Gulf countries: A systematic literature review. *International Journal of Information Management*, 53, 102102. <https://doi.org/10.1016/j.ijinfomgt.2020.102102>
- Ananda, S., Devesh, S., & Al Lawati, A. M. (2020). What factors drive the adoption of digital banking? An empirical study from the perspective of Omani retail banking. *Journal of Financial Services Marketing*, 25(1–2), 14–24. <https://doi.org/10.1057/s41264-020-00072-y>
- Arif, I., Afshan, S., & Sharif, A. (2016). Resistance to adopt mobile banking in a developing country: Evidence from modified TAM. *Journal of Finance & Economic Research*, 1(1), 25–42. <https://doi.org/10.20547/jfer1601104>

- Arndt, J. (1967). Role of product-related conversations in the diffusion of a new product. *Journal of Marketing Research*, 4(3), 291–295.
- Brandl, B., & Hornuf, L. (n.d.). *Where did FinTechs come from, and where do they go?* (p. 25).
- Chan, S., & Lu, M. (2004). Understanding internet banking adoption and use behavior: A Hong Kong perspective. *Journal of Global Information Management*, 12, 21–43.
- Chauhan, S., & Jaiswal, M. (2016). Determinants of acceptance of ERP software training in business schools: Empirical investigation using UTAUT model. *The International Journal of Management Education*, 14, 248–262. <https://doi.org/10.1016/j.ijme.2016.05.005>
- Chin, W., & Marcoulides, G. (1998). The partial least squares approach to structural equation modeling. *Modern Methods for Business Research*, 8.
- Corbitt, B. J., Thanasankit, T., & Yi, H. (2003). Trust and e-commerce: a study of consumer perceptions. *Electronic Commerce Research and Applications*, 2(3), 203–215.
- Cuesta, C., Ruesta, M., Tuesta, D., & Urbiola, P. (2015). *The digital transformation of the banking industry* (p. 11).
- Dootson, P., Beaton, A., & Drennan, J. (2016). Financial institutions using social media—Do consumers perceive value? *International Journal of Bank Marketing*, 34(1), 9–36.
- Fadare, O., Ibrahim, M. B., & Edogbanya, A. (2016). A survey on perceived risk and intention of Adopting Internet Banking. *Journal of Internet Banking and Commerce*, 21.
- Fornell, C., Larcker, D. F. (1981). *Journal of Marketing Research*, 1, 39–50.
- Javed, D. S. (2018). *Unified theory of acceptance and use of technology (UTAUT) model-mobile banking*.
- Khatun, N., & Tamanna, M. (2020). Factors affecting the adoption of FinTech: A study based on the financial institutions in Bangladesh. *Copernican Journal of Finance & Accounting*, 9(4), Article 4. <https://doi.org/10.12775/CJFA.2020.021>
- Laukkanen, T., & Cruz, P. (2009). Comparing consumer resistance to mobile banking in Finland and Portugal. In J. Filipe & M. S. Obaidat (Eds.), *E-business and telecommunications* (Vol. 48, pp. 89–98). Springer Berlin Heidelberg. [https://doi.org/10.1007/978-3-642-05197-5\\_6](https://doi.org/10.1007/978-3-642-05197-5_6)
- Lipton, A., Shrier, D., & Pentland, A. (2016). *Digital banking manifesto: The end of banks?* (p. 19).
- Martins, C., Oliveira, T., & Popović, A. (2014). Understanding the Internet banking adoption: A unified theory of acceptance and use of technology and perceived risk application. *International Journal of Information Management*, 34(1), 1–13.
- Mbama, C. I., Ezepue, P., Alboul, L., & Beer, M. (2018). Digital banking, customer experience and financial performance: UK Bank managers' perceptions. *Journal of Research in Interactive Marketing*, 12(4), 432–451. <https://doi.org/10.1108/JRIM-01-2018-0026>
- Moore, G. C., & Benbasat, I. (1991). Development of an instrument to measure the perceptions of adopting an information technology innovation. *Information Systems Research*, 2(3), 192–222. <https://doi.org/10.1287/isre.2.3.192>
- Ostlund, L. E. (1969). The role of product perceptions in innovative behavior. In P. R. Dickson (Ed.), *Proceedings of the 1969 Fall Conference of the American Marketing Association* (pp. 25–29).
- Parise, S., Guinan, P. J., & Kafka, R. (2016). Solving the crisis of immediacy: How digital technology can transform the customer experience. *Business Horizons*, 59(4), 411–420. <https://doi.org/10.1016/j.bushor.2016.03.004>
- Ryu, H.-S. (2018). What makes users willing or hesitant to use Fintech? The moderating effect of user type. *Industrial Management & Data Systems*, 118(3), 541–569. <https://doi.org/10.1108/IMDS-07-2017-0325>
- Robertson, T. S. (1971). *Innovative behavior and communication*. Holt, Rinehart and Winston.
- Samartha, V., Shenoy Basthikar, S., Hawaldar, I. T., Spulbar, C., Birau, R., & Filip, R. D. (2022). A study on the acceptance of mobile-banking applications in India—Unified theory of acceptance and sustainable use of technology model (UTAUT). *Sustainability*, 14(21), Article 21. <https://doi.org/10.3390/su142114506>
- Sorofman, J., Virzi, A.M., Genovese, Y. (2015). *CMO spend survey 2015–2016: Digital marketing comes of age*. Available at: <http://marketingland.com/read-gartners-cmo-spend-survey-2015-2016-digital-marketing-comes-age-191866> [Accessed: 12.05.2019].

- Tesfom (Tsegay), G., & Birch, N. (2011). Do switching barriers in the retail banking industry influence bank customers in different age groups differently? *Journal of Services Marketing*, 25, 371–380. <https://doi.org/10.1108/08876041111149720>
- Venkatesh, V., Morris, M. G., Davis, G. B., & Davis, F. D. (2003). User acceptance of information technology: Toward a unified view. *MIS Quarterly*, 27(3), 425–478. <https://doi.org/10.2307/30036540>
- Venkatesh, V., Thong, J. Y. L., & Xu, X. (2016). Unified theory of acceptance and use of technology: A synthesis and the road ahead. *Journal of the Association for Information Systems*, 17(5), 328–376.
- Wetzels, M., & Odekerken, G. (2009). Using PLS path modeling for assessing hierarchical construct models: Guidelines and empirical illustration. *Management Information Systems Quarterly—MISQ*, 33. <https://doi.org/10.2307/20650284>
- Windasari, N. A., Kusumawati, N., Larasati, N., & Amelia, R. P. (2022). Digital-only banking experience: Insights from Gen Y and Gen Z. *Journal of Innovation & Knowledge*, 7(2), 100170. <https://doi.org/10.1016/j.jik.2022.100170>
- Wold, H. (1973). Nonlinear iterative partial least squares (NIPALS) modeling: Some current developments. In P.R. Krishnaiah (Ed.), *Multivariate Analysis II: Proceedings of an International Symposium on Multivariate Analysis held at Wright State University, Dayton, Ohio, June 19–24, 1972* (pp. 383–407). Academic Press.
- Wold, H. (1980). Soft modeling: Intermediate between traditional model building and data analysis. *Mathematical Statistics*, 6, 333–346.

**Abdelouahid Kouchih** Ph.D., is an International Expert and a professor of Marketing and Strategy (28 years of experience in higher education). He is the head of research team “Marketing, innovation and competitiveness”, Research laboratory “Law and Business Management”, Hassan II University, Faculty of Legal, Economic and Social Sciences Ain-Chok, Casablanca, Morocco. He is the holder of a Ph.D. in marketing. In his thesis, he dealt with the problem of the organic relationship linking marketing to the competitiveness of the company. He is the author of several articles published in international journals and books, and of communications in several international conferences leading to a first book entitled “Marketing Performance”.

**Doha Lyoussi** a third-year Ph.D. candidate at the Faculty of Legal, Economic, and Social Sciences at Hassan II University in Casablanca, Morocco, excels as a researcher at the “Law and Business Management” laboratory. Her doctoral research, focusing on digital competitiveness in the banking sector, showcases her deep academic commitment. Holding a bachelor’s in management sciences and a Master’s in Marketing and Commercial Strategies from Moulay Ismail University, she blends these disciplines skillfully in her studies. Whereas her educational background lays a solid foundation, her current work provides fresh perspectives in a rapidly evolving field. Her dedication to understanding digital competitiveness in banking highlights her passion for contributing meaningful insights at the vital confluence of these critical business areas.

# Digitalization of Halal Food Supply Chain Management Based on Blockchain Technology



Mohd Heikal, Abdul Rachman, Muizzudin, and Falahuddin

**Abstract** Digital transformation in Indonesia has witnessed significant growth, evident in the increasing number of internet users nationwide. Digital transformation plays a role in accelerating connectivity within various sectors, including the halal industry. The government, through the Halal Certification Agency, known as BPJPH, has made a breakthrough in digitizing halal certification, both regular and self-declared. Digitalizing halal certification has brought several advantages, notably facilitating halal certification registration for micro and small enterprises (MSEs). This digital approach offers convenience as it removes constraints related to time and geographical limitations. However, it is essential to note that the current digitization of halal certification has not yet integrated a comprehensive halal tracking system for food products from upstream to downstream, making it challenging to trace the halal status of products from producers, distributors, and retailers to consumers. This study employed a descriptive qualitative research method, utilizing a literature study. Data was primarily derived from secondary sources, such as data, regulations, documents, articles, and others related to blockchain technology and its use in the halal food supply chain. This research found that digitizing the halal food supply chain using blockchain technology allows users to record every transaction and related information within a decentralized block secured by cryptography. This results in a unilaterally distributed and immutable system, enabling stakeholders, such as producers, distributors, retailers, and consumers, to track every step in the

---

M. Heikal · Falahuddin

Faculty of Economics and Business, Universitas Malikussaleh, Aceh, Indonesia

e-mail: [mohdheikal@unimal.ac.id](mailto:mohdheikal@unimal.ac.id)

Falahuddin

e-mail: [falahuddin@unimal.ac.id](mailto:falahuddin@unimal.ac.id)

A. Rachman (✉) · Muizzudin

Faculty of Islamic Economics and Business, Cendekia Abditama University, Banten, Indonesia

e-mail: [abdulrachman@uca.ac.id](mailto:abdulrachman@uca.ac.id)

Muizzudin

e-mail: [muizzudin@uca.ac.id](mailto:muizzudin@uca.ac.id)

supply chain of halal products with accuracy. Furthermore, blockchain technology-based digitization in the halal food industry in Indonesia adheres to the principles of Halal Traceability, Halal Assets Specificity, Halal Quality Assurance, Halal Trust, and Halal Commitments involving multi-stakeholders.

**Keywords** Digitalization · Chain · Halal · Blockchain · Technology

## Introduction

Digital transformation in Indonesia has experienced significant growth, as evidenced by the increasing number of internet users (Zoppelletto et al., 2020). Survey data compiled by the Association of Internet Service Providers in Indonesia (APJII) in 2021 revealed that the internet penetration rate grew to 77.02%, reaching 210,026,769 individuals (Apjii, 2023). This surge in internet usage has not only bolstered technological advancements but has also played a pivotal role in accelerating connectivity across multiple sectors, including the economy, culture, politics, and society. It has ushered in an era of real-time information access and seamless communication (Tan & Husny, 2020; Vial, 2019; Wijoyo, 2021). Digital transformation is not merely a technological matter; it involves social transformation, including changes in culture, attitudes, and society (Tumangger, 2022). The National Information and Communication Technology Council states that the ongoing digital transformation in Indonesia will streamline business operations and enhance the ease of doing business (EoDB). As a result, the target value of e-commerce transactions is expected to reach IDR 600 trillion by 2024. Moreover, digital transformation can also spur the growth of the digital economy (Toewoeh, 2022).

One of the economic sectors experiencing digital transformation is the halal industry (Afendi, 2020). The growth of the halal industry in Indonesia has significantly increased, particularly in halal food (Purwanto et al., 2021). Based on The State of the Global Islamic Economy Report 2022, Indonesia has successfully secured the second position in the world's halal food and beverage industry after previously ranking fourth in halal food producers (State of the Global Islamic Economy Report, 2022). The government, through the BPJPH (Halal Product Assurance Agency), has pioneered digitalizing halal certification, both regular and Self Declare (Jakiyudin & Fedro, 2022; Pardiansyah et al., 2022). All halal certification application processes are now conducted digitally through the website <https://ptsp.halal.go.id/login>. This transition to digitalization has significantly augmented the number of halal-certified small and medium-sized enterprises (SMEs) by eliminating constraints related to time and distance (Akim et al., 2019; Al-Teinaz & Al-Mazeedi, 2020). Furthermore, the allocation of quotas by BPJPH for the Free Halal Certification Program (SEHATI) continues to expand (Rachman et al., 2023). It is important to note that this quota is exclusively available to SMEs that meet the self-declare application requirements. However, for regular certification, there is no currently available data indicating a substantial rise in the number of certified businesses.

Some challenges and obstacles in the digitalization of halal certification in Indonesia include the lengthy process of regular halal certification due to audit delays conducted by the Halal Inspection Agency (LPH) (Suzery et al., 2020). Therefore, there is a need for digitalizing halal audits throughout the entire certified halal product process, from upstream to downstream (Rashid & Bojei, 2019). In the audit process, there remains a deficiency in digital information concerning certified Halal Slaughterhouses (RPH). Additionally, the number of RPHs with halal certification is limited, and even applications for the Free Halal Certification Program (SEHATI) that include raw materials from slaughtered animals such as chicken, beef, or goat are rejected, despite the end products bearing halal certification. This demonstrates weaknesses in the halal food supply chain, which should be addressed comprehensively in both regular halal certification and the Free Halal Certification Program (SEHATI).

Another challenge is the lack of an application accommodating a halal product tracking system from upstream to downstream, making it challenging to trace the halal status of products and increasing consumer trust issues (Hamid & Tan, 2022). However, the halal food sector remains at the forefront in Indonesia due to its immense potential, estimated at IDR. 2,300 trillion, followed by the Muslim fashion potential of IDR. 190 trillion, halal tourism potential of IDR. 135 trillion, and hajj and umrah potential of IDR. 120 trillion (<http://halal.go.id/>, 2021). Indonesia, with a population of 275,773,800 people in 2022 (BPS, 2022), can tap into this significant potential through the local market and excel in the global halal industry competition. Md. Mahfujur Rahman and Mohd Shahril Ahmad Razimi found that many biotechnology companies are adapting their production processes to comply with the Halal Supply Chain (HSC) to enter the halal market. Contemporary biotechnology products aiming for halal certification must meet the requirements of Sharia compliance (Rahman & Razimi, 2023). Another challenge is public halal awareness which needs to be increased because it can become an obstacle to the development and growth of the halal industry (Rehman, 2023).

The significant potential in halal food products is not accompanied by information and digitalization in managing the halal food supply chain, which involves multiple stakeholders, including raw material suppliers, importers, domestic and foreign manufacturers, vendors, storage warehouses, transportation companies, distributors, agents, and traders (Ali et al., 2021). Research by Inayatullah and Kumala (2022) revealed that there is currently no accessible system for consumers that guarantee the halal status of imported food, making it difficult for Muslim consumers to obtain valid and up-to-date information about the halal status of imported food (Inayatullah & Kumala, 2022). Therefore, digitalizing halal food traceability is necessary to establish an efficient and reliable system for verifying and validating halal food products to ensure their halal status (Nurfalah & Rusydiana, 2019; Tan & Husny, 2020). The halal certification process cannot be conducted quickly due to the need for halal audits involving Halal Traceability, Halal Assets Specificity, Halal Quality Assurance, Halal Trust, and Halal Commitments systems, especially for products with imported raw materials, as experienced by Mixue in applying for halal certification in 2021 and obtaining its halal certificate in 2023. Its halal certification process was hindered because many ingredients were imported from China (Dwi, 2023).

This research is essential for analyzing solutions to the challenges of digitalizing the halal food supply chain by implementing digital transformation using blockchain technology (Alamsyah et al., 2022). The study is also expected to provide constructive suggestions and criticism for the halal food industry in Indonesia, enabling comprehensive digital transformation in managing the halal food supply chain, involving multiple stakeholders while adhering to the principles of halal traceability, halal assets specificity, halal quality assurance, halal trust, and halal commitments (Majid et al., 2023). Furthermore, this research is significant in producing a role model for digitalization design in managing the blockchain-based halal food supply chain. The government can adopt this model to establish an effective, efficient, secure, and decentralized digital system for managing the halal food supply chain (Ahmad et al., 2022).

## Literature Review

### *Halal Food Supply Chain Ecosystem in Indonesia*

The halal ecosystem in Indonesia continues to grow, aligning with the proliferation of halal products and the increased awareness of the public regarding the significance of halal, transforming it into a lifestyle choice (Bashir, 2019). The development of the halal ecosystem is becoming more extensive and diverse, encompassing various aspects, such as halal food, halal tourism, halal cosmetics, halal medicines, halal fashion, hajj, umrah, endowments, zakat, and more (Arifin et al., 2022). Indonesia is even targeted to become the World's Halal Hub, as it has achieved the second position in the halal food and beverage industry, as indicated in The State of the Global Islamic Economy Report 2022 (State of the Global Islamic Economy Report, 2022). Perry Warjiyo, the Chairman of the Council of Sharia Economic Society, emphasized that integrating the halal industry ecosystem is crucial to drive innovation in the digitalization of the halal food industry in Indonesia (Dedy Darmawan Nasution, 2021). The Indonesian government actively supports the halal ecosystem by establishing various regulations, including laws, government regulations, ministerial regulations, ministerial decisions, BPJPH (Halal Product Assurance Agency) head decisions, and regional government regulations, such as governor regulations and others (Abdul & Khokhar, 2023). The formation of the halal ecosystem in Indonesia also benefits from the establishment of BPJPH, which is responsible for halal certification in the country, following the mandate of Law Number 33 of 2014 concerning halal product assurance (Lynarbi et al., 2020; Rachman et al., 2022b, 2022c). Moreover, the halal ecosystem can be formed in an integrated and comprehensive manner, involving various institutions, such as Halal Inspection Agencies (LPH), Halal Product Process Assistance Institutions (LP3H), the Indonesian Ulama Council, social organizations (Ormas), educational institutions, universities, associations, business entities, and the community (Hosanna & Nugroho, 2018).

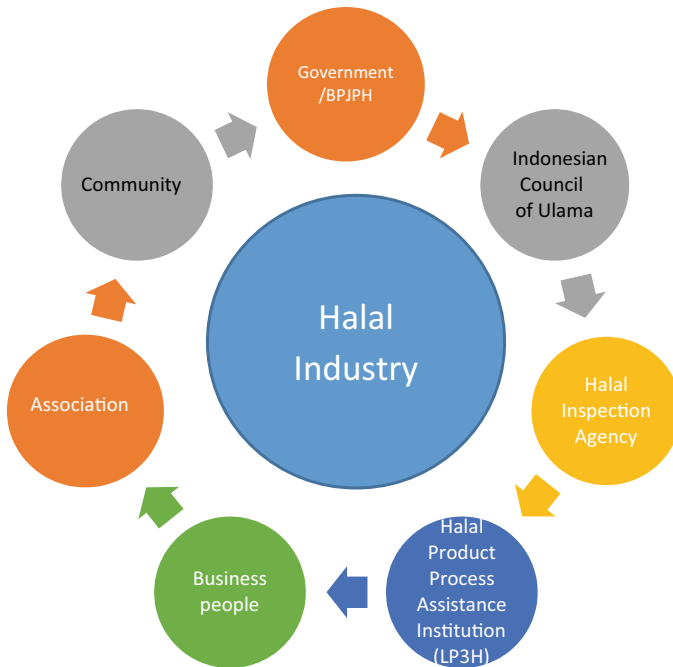


The halal ecosystem is established as the Halal Product Assurance Agency (BPJPH) that recruits Halal Product Process Assistance Institutions (LP3H) and Halal Product Process Assistance (P3H) to increase the number of small and medium-sized enterprises (SMEs) with halal certification. Currently, there are 172 LP3H institutions and 42,533 P3H personnel involved in this process (<https://info.halal.go.id/pendampingan/>, 2023). Collaboration is also undertaken by recruiting Halal Inspection Agencies (LPH), currently 30 institutions (Rachman & Sangare, 2023). However, this number remains insufficient to serve all businesses in Indonesia. A study by Robi Krisna and Mohammad Yusuf on the Improvement of the Halal Ecosystem and a Review of Halal Product Regulations found that many sectors within the halal ecosystem need to implement halal product principles. The halal ecosystem is closely related to regulations and rules concerning halal products in Indonesia (Rachman, 2020). According to Robi Krisna and Mohammad Yusuf, establishing regional representatives of the Halal Product Assurance Agency is necessary to carry out halal certification more effectively (Krisna & Yusuf, 2023).

The enormous potential market for halal food in Indonesia is not automatically supported by consumer rights to access information. Consequently, the management of the halal food supply chain must not only be digital but also involve various stakeholders, including raw material suppliers, importers, domestic and foreign producers, vendors, warehouses, transportation companies, distributors, agents, traders, and ultimately, consumers. The halal food supply chain is an integral component of the halal industry, demanding meticulous attention as it is related to managing halal products from source to consumer. To address the challenges and issues within the halal food supply chain, the digitization of the halal food sector in Indonesia is required, leveraging state-of-the-art technology, such as blockchain. Collaboration among various stakeholders in the halal ecosystem in Indonesia is essential, encompassing both government and private sector institutions working together to increase the number of certified halal businesses. Diagram 1 represents the ecosystem of the halal industry in Indonesia.

### ***Regulations and Policies of Digitalization in Halal Food Product Certification in Indonesia***

The development of the halal industry in Indonesia is supported by the following policies and regulations: Law Number 33 of 2014 concerning Halal Product Assurance (JPH), Law Number 11 of 2020 concerning Job Creation, Government Regulation in Lieu of Law (Perppu) No. 2 of 2022 concerning Job Creation, Presidential Regulation Number 83 of 2015 concerning the Ministry of Religious Affairs, Government Regulation Number 31 of 2019, Minister of Religious Affairs Regulation (PMA) Number 42 of 2016 concerning the Organization and Work Procedures of the Ministry of Religious Affairs, Minister of Religious Affairs Regulation (PMA) Number 39 of



**Diagram 1** Ecosystem of the halal industry in Indonesia. *Source* Law Number 33 of 2014

2018 concerning the Financial Management of BPJPH, Minister of Finance Decision Number 3/KMK.05/2019 concerning the Establishment of BPJPH under the Ministry of Religious Affairs as a government institution implementing the State Treasury Management Pattern, Minister of Religious Affairs Regulation Number 26 of 2019 concerning the implementation of JPH (Halal Product Assurance), and other regulations governing the implementation of halal certification in Indonesia (Ahyar, 2020).

The regulations represent the government's concrete steps to accelerate and streamline the halal product process in Indonesia, including the implementation of the free halal certification program for small and medium-sized enterprises (SMEs), known as SEHATI through Halal Certification Digitalization (Hosanna & Nugroho, 2018). The halal certification process in Indonesia has undergone a digital transformation, where products seeking halal certification are registered by accessing the SiHalal application through <https://ptsp.halal.go.id/>. This program is mandated by Government Regulation Number 39 of 2021 concerning the implementation of halal product assurance. Its implementation aims to expedite the increase in certified halal SMEs and facilitate businesses accessing regular halal certification (Asa, 2019). Moreover, with the digitalization of halal certification, there has been a significant increase in the number of SMEs that have acquired halal certification.

## Research Methodology

This research employed a qualitative descriptive study with a literature review approach. The data was derived from secondary sources, including data, documents, regulations, manuscripts, articles, and other materials related to the halal food supply chain, blockchain technology, and its utilization in the halal food industry. The halal food supply chain encompasses the halal audit process and the examination of halal assurance system standards for certified halal products. Prior to the data analysis, various data related to the digitalization of halal certification in the food industry were collected. The next step involved reducing and categorizing the gathered data related to implementing advanced technologies like blockchain in establishing halal traceability, halal assets specificity, halal quality assurance, halal trust, and halal commitment systems in the halal food industry in Indonesia. The data was then analyzed and presented using various methods, such as graphs, matrices, charts, and others, after which they were summarized in line with the research conducted. The data was analyzed and examined to derive suitable formulas and designs for the digital-based development of the halal industry in Indonesia using blockchain technology.

## Results

### *Utilization of Technology in the Halal Food Industry in Indonesia*

Digital transformation in the halal industry is a necessity considering the rapid advancement of technology, especially with BPJPH's target of certifying 10 million halal products. One way to accelerate the achievement of this target is by transforming halal certification services into a digital basis (Kraus et al., 2021). Digital technology can reduce the cost of managing halal product certification (Shamsudin & Majid, 2022) and shorten the time required for the verification, validation, and auditing processes of halal products (Tieman et al., 2019). Digital technology facilitates efficient and effective halal certification processes without being limited by space and time (Nasyiah et al., 2022). Dedy Permadi, in the Digital Indonesia Roadmap 2021–2021, mentioned four pillars for digital transformation: digital infrastructure, digital economy, digital government, and digital society (Toewoeh, 2022).

The utilization of digital technology in all aspects, including halal certification in Indonesia, is an innovative and creative breakthrough (Usman et al., 2020). In 2020, LinkedIn studied the future demand for digital skills. LinkedIn identified four areas that will become advanced technologies, namely ABCD: artificial intelligence, blockchain, cloud computing, and data analytics (Akash Shrivastava, 2023). Digital technology is crucial for more efficient and effective services (Hendayani & Fernando, 2022). Regulations governing digital transformation in public services

can be found in Presidential Regulation No. 95 of 2018 concerning electronic-based government systems (SPBE). This indicates that the utilization of digital technology is already governed by clear regulations, emphasizing the necessity for a concrete and comprehensive implementation to harness the immense potential for digital economic development in Indonesia, which is continuously expanding.

The government has implemented digital transformation in halal certification services in Indonesia (Kasanah & Sajjad, 2022). Digitalizing halal certification is a concrete step in fulfilling the mandate of the established laws. Nonetheless, digital transformation should not be confined solely to halal certification services; it must extend to digitalizing the entire halal food supply chain. Effective management of the halal food supply chain plays a critical role in verifying the halal status of a product, given the extensive nature of the halal food industry supply chain. Consequently, a comprehensive digitalization of the management of the halal food supply chain, including the tracing of the halal status of raw materials, slaughterhouses, imported ingredients, logistics, distribution, storage, and other components, can be achieved through the involvement of multiple stakeholders.

### ***The Dynamics of Halal Certification Digitalization for Halal Food Products***

The digitalization of halal certification in Indonesia is a creative and innovative idea developed by BPJPH, the authorized state institution (Lynarbi et al., 2020). This digitalization of halal certification simplified the process for business owners seeking it, allowing them to choose between self-declare or regular certification processes (Rafianti et al., 2022). The halal certification service in Indonesia is conducted online through the SiHalal application, accessible via <https://ptsp.halal.go.id/>. SiHalal is a web-based application developed by BPJPH to support halal certification services. It can be accessed online through computers or smartphones with an internet connection. Geographical limitations, time restrictions, or space constraints do not constrain registration for halal certification through the SiHalal application. Businesses can access it anywhere within Indonesia, from Sabang to Merauke, as long as they have a stable internet connection.

The digitalization of halal certification is mandated by Government Regulation (PP) Number 39 of 2021, Articles 59 and 148, stating that businesses can apply for halal certificates through electronic systems and integrated electronic-based Halal Product Assurance (JPH) services. The SiHalal application was developed to achieve efficiency and effectiveness in the halal certification process in Indonesia. According to the Head of BPJPH, Aqil Irham, SiHalal provides several conveniences, including wider business access in Indonesia without limitations of time and distance. SiHalal can be accessed through various devices connected to the internet. SiHalal is also integrated with the Online Single Submission (OSS) of the Investment Coordinating Board (BKPM), the Electronic Certificate Center (BSRE), and the State Cyber and

Cryptography Agency (BSSN). Furthermore, the halal certification process through SiHalal is faster than the manual one. This speed and accuracy can benefit halal certificate stakeholders, including the Halal Certification Institute (LPH) and Fatwa Commission of the Indonesian Council of Ulama (MUI), through data and service integration.

The implementation of halal certification digitalization in Indonesia has experienced significant growth despite involving multiple stakeholders, including the Indonesian Ulama Council, Halal Inspection Agency (LPH), Halal Product Process Assistance Agency (LP3H), Halal Product Process Assistant (P3H), and Regional Halal Task Forces (Kasanah & Sajjad, 2022). However, several challenges and obstacles have been encountered, including the limited knowledge of business owners regarding the utilization of the digital-based SiHalal application. Additionally, some businesses have faced difficulties in registering their products due to the absence of a business identification number (NIB), unreliable internet connections that hinder access to the SiHalal system, and the limited availability of products for MSEs to obtain halal certification through the SEHATI program. These issues have impeded the halal certification process for all MSEs in Indonesia. These challenges are critical to address as the halal certification obligation is mandated by Law Number 33 of 2014 concerning halal product assurance (Hosanna & Nugroho, 2018).

Digitalizing halal certification is a service for business owners, utilizing both the free halal certification program (SEHATI) and the regular program. Therefore, BPJPH aims to increase the number of certified micro and small enterprises (MSEs) to 10 million participants in the SEHATI program. Based on data from <http://olap.halal.go.id/> on March 13, 2023, the province with the highest number of MSEs with halal certification is Central Java (33,332 participants), followed by East Java (19,760 participants) and West Java (19,171 participants).

The SEHATI program in Indonesia, initiated by the Ministry of Religious Affairs (Kemenag) through BPJPH, has been conducted in two phases, with registration through [ptsp.halal.go.id](http://ptsp.halal.go.id). The first phase started from mid-2021 to July 11, 2022, providing 25,000 quotas, and the second phase, from August 24 to September 19, 2022, offered 324,834 quotas (<http://halal.go.id/>). The Ministry of Religious Affairs through BPJPH has issued 10,164 halal certificates for MSEs participating in the SEHATI program phase 1. To meet the quota for UMKM, BPJPH opened registration for the SEHATI program phase 2. However, the number of micro, small, and medium enterprises (MSMEs) UMKM certified halal through the SiHalal application is currently relatively low compared to the total number of MSMEs.

## Discussion

### *Designing a Blockchain-Based Halal Food Supply Chain Management*

The development of the halal food industry in Indonesia requires the adoption of cutting-edge technology to build an integrated business ecosystem (Alamsyah et al., 2022). The suitable technology for managing the halal food supply chain is blockchain technology (Adnani et al., 2023). Blockchain technology is particularly well-suited for the food industry because, to date, no other technology adequately accommodates the tracking of halal product status from upstream to downstream, leading to difficulties in tracing the halal status of food products and increasing consumer trust issues (Hidayati et al., 2023). Digitalizing the traceability of halal food is necessary to establish an efficient and reliable traceability system for halal products, covering the entire process from sourcing raw materials to production, logistics, and product distribution. According to El Mehdi Kail in his research, the Islamic Fintech Landscape stated that blockchain is one of the Fintech fields that is developing rapidly and has an impact on Islamic financial services (Kail, 2023).

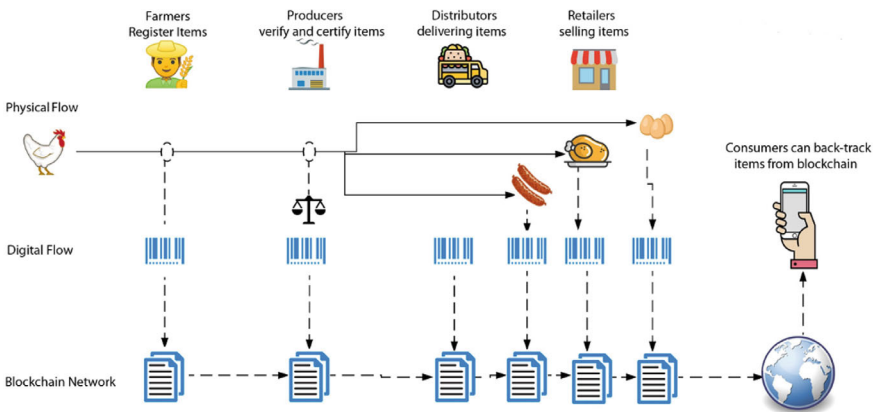
Blockchain has been innovatively adopted in various industries, including the halal food industry (Handayani & Vanany, 2021). Blockchain technology has an advanced database mechanism, enabling transparent information sharing within a business network (Handayani & Fernando, 2022). In the context of the halal food supply chain in Indonesia, blockchain technology is essential for creating an immutable ledger that tracks raw materials, slaughterhouses, imported ingredients, logistics, distribution, storage, and even retail businesses (Tieman et al., 2019). Blockchain technology can establish a decentralized and tamper-resistant system to record each step of the halal food supply chain from upstream to downstream (Hamid & Tan, 2022). The key features of blockchain technology are decentralization, immutability, and consensus.

Blockchain networks come in various forms, such as private, hybrid, public, and consortium blockchain networks (Handayani & Fernando, 2022). The blockchain technology implemented in the halal food industry utilizes a consortium blockchain network involving organizations designated by BPJPH (the Halal Product Assurance Agency of the Ministry of Religious Affairs) to manage the halal food supply chain cycle. These organizations include regulators, LPH (Halal Inspection Bodies), LP3H (Halal Product Assurance Institutions), P3H (Halal Product Assurance Supporters), halal industry players, associations, and the general public. They are responsible for maintaining the blockchain and determining data access rights, ensuring controlled access among all stakeholders (Argani & Taraka, 2020).

The utilization of blockchain in the halal food industry brings significant benefits as blockchain technology is expected to continue evolving and provide high levels of security and trust required in modern digital transactions (Argani & Taraka, 2020). Furthermore, blockchain can enhance the efficiency of halal food production downstream from one point to another (Handayani & Vanany, 2021). It can

also optimize halal audits quickly and accurately as each stakeholder must electronically produce, exchange, archive, and reconstruct halal food production processes securely (Hendayani & Fernando, 2022). This data transparency accelerates the audit process, providing a solution to the time-consuming halal audits due to a lack of data synchronization and integration among multiple stakeholders.

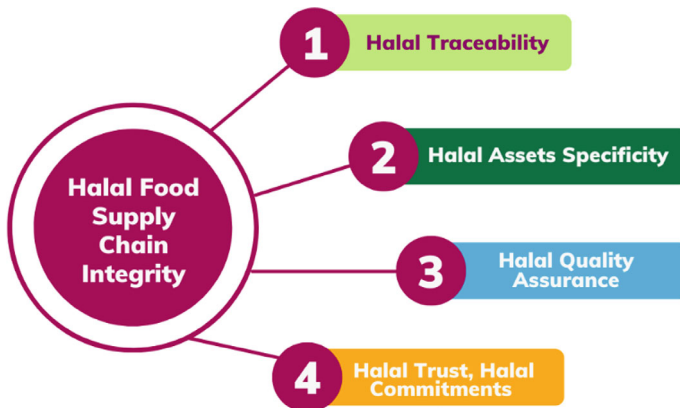
Germán Sánchez Couso, a blockchain and business transformation consultant at IBM Spain, highlighted several benefits of using blockchain technology in various industries (Nida Khan, 2023). When applied to the halal food industry, blockchain technology offers several advantages. First, it saves time and costs by reducing the reliance on extensive paperwork in supply chain management, resulting in increased efficiency (Hendayani & Fernando, 2022). Second, it plays a vital role in preventing errors and fraud within the halal food industry, ensuring the integrity of the products. Additionally, it optimizes various processes, including storage, transportation, and distribution. Furthermore, blockchain technology enhances the reliability and integrity of shared information, offering trust in the system. It fosters efficient collaboration among various stakeholders involved in the halal food supply chain, enhancing overall coordination and transparency. Ultimately, it provides transparency at every stage of the halal food product processes, enabling clients to track their orders throughout the supply chain effectively. These advantages make blockchain technology a promising solution for the halal food industry, offering improved efficiency, security, and transparency throughout the supply chain (Fig. 1).



**Fig. 1** Design of blockchain technology in the halal food supply chain. *Source* <https://dreamziot.com/>

### ***System in Halal Food Supply Chain Management Based on Blockchain Technology***

In the concept of halal, it is imperative to consider not only the fundamental ingredients of a product but also the broader concept outlined in the Decision of the Minister of Religious Affairs of Indonesia No. 518 of 2001, dated November 30, 2001. Article 1 of this decision defines halal food as devoid of elements or essential ingredients forbidden (haram) and against Islamic law. This means that besides the ingredients themselves, production or processing processes, personnel, production equipment, and management must be free from any haram elements (Kasanah & Sajjad, 2022). Developing the halal food industry in Indonesia involves a comprehensive halal business ecosystem that integrates seamlessly from upstream to downstream. This integration is a crucial factor for enhancing the competitiveness of the halal food industry both domestically and globally. Indonesia must establish itself as a significant player in the halal food industry. Consequently, there is a need for a well-designed management system for the halal food supply chain to ensure the halal status of raw materials, production, storage, logistics, distribution, and consumption. This research has yielded a system design for managing the halal food supply chain that the Indonesian government can adopt to establish a secure, effective, efficient, and halal-assured digitalization of the halal food supply chain. The proposed system design draws from several vital systems, including halal traceability, halal assets specificity, halal quality assurance, halal trust, and halal commitments (Diagram 2).



**Diagram 2** Halal food supply chain system. *Source* Compiled from various sources



### ***Halal Traceability***

Traceability is the principle of transparency. This principle is crucial because it allows the halal status of each product to be traced effectively and tracks all relevant information from raw materials to production and consumption (Rashid & Bojei, 2019). One critical point in the halal process is the ability to trace the halal status at every stage of the supply chain. A halal traceability system enhances the transparency in the supply chain. It can be used to trace potentially non-halal ingredients and validate and authenticate that the product is indeed halal. There are various strategies to enhance the effectiveness and efficiency of halal traceability processes, including adopting information technology platforms, such as barcodes, radio frequency identification devices (RFID), GSM, and internet-based technologies (Shamsudin & Majid, 2022). With these tools, the traceability system can operate well, tracing the supply chain and identifying whether the food product is cross-contaminated with non-halal products, enabling prompt and appropriate solutions. The halal food supply chain needs to establish a fast, secure, and comprehensive system that responds to consumer needs with the coordination of each unit in the supply chain. The active participation of all supply chain stakeholders is pivotal in guaranteeing the traceability of food products and, consequently, in upholding the system's ability to verify the origins of halal food products.

### ***Halal Assets Specificity***

In the halal industry, traceability with the principle of halal product specificity is carefully considered, allowing companies to invest in specialized services and facilities to meet the demand for halal products (Majid et al., 2023). Specialized infrastructure, such as transportation fleets, warehouses, and storage facilities, along with dedicated equipment, plays a crucial role in preventing the mixing of halal products with haram (forbidden) ones (Jamaludin & Sugawara, 2022). In the food supply chain, most logistics providers do not separate halal and haram products, citing cost-saving reasons to streamline logistics expenses. This becomes an ongoing issue in the distribution of goods (Khairuddin et al., 2022). Halal assets specificity involves three stages: distribution or transfer, transportation, and storage. Hence, it is essential to segregate halal products from haram ones to prevent cross-contamination. Many predominantly Muslim and non-Muslim countries have made significant investments in establishing dedicated manufacturing centers and halal logistics systems to ensure and safeguard the halal status of products during the shipping process (Alserhan, 2017; Alserhan et al., 2022).

## ***Halal Quality Assurance***

The Halal Product Assurance Agency (BPJPH), operating under the Ministry of Religious Affairs, as the authorized institution for halal certification, mandates that businesses seeking halal certification must meet five categories following the halal product assurance system (Rachman et al., 2022c). Firstly, they must ensure that halal raw materials are used. Secondly, the production process must strictly avoid mixing with haram (forbidden) or *najis* (unclean) substances. Thirdly, the production premises, equipment, and facilities must remain isolated from any possibility of contaminating haram goods. Fourthly, after production, if there is a storage period for the products post-production, they must be stored separately from haram items. Fifthly, the distribution of products must follow the principle of benefit and avoid contamination with haram or *najis* goods.

## ***Halal Trust Dan Halal Commitments***

The key successes in the halal food supply chain are built on mutual trust and commitment to maintaining the halal status of products at every stage, from raw materials to production, distribution, and consumption (Abdullah, 2018). The commitment to halal practices is mandatory for businesses to ensure the continuity of halal products they produce, thereby fostering consumer trust in the halal nature of the products (Majid et al., 2023). Business operators must also commit to respecting and complying with all applicable laws in Indonesia, including the Halal Product Assurance Law and Regulations (Rachman et al., 2022a). The commitment to ensuring and safeguarding the halal status of a product is an essential and effective step in fulfilling the rights of Muslim consumers worldwide. This is particularly crucial, as emphasized by Alserhan (2017), as a substantial portion of technologies and products, aside from halal food and beverages, may not necessarily fall under the classification of halal products. These non-food items include mobile phones, wristwatches, transportation equipment, and more.

## **Conclusion**

Digital transformation in Indonesia has witnessed significant growth, accelerating societal connectivity, especially in the economic sector. One of the areas of digital transformation is the digitalization of halal certification. However, the current digitalization of halal certification falls short of accommodating a comprehensive system for halal food products from the source to the consumer, making it challenging to accurately trace the halal status of products from manufacturers, distributors, and retailers to consumers. Hence, there is a pressing need for digitalizing the halal food supply

chain using blockchain technology. Blockchain can establish an immutable ledger to track raw materials, slaughterhouses, imports, production, logistics, distribution, storage, and retail businesses. This technology ensures a secure and accurate system by being distributed and tamper-resistant, allowing stakeholders such as producers, distributors, retailers, and consumers to track every step in the halal product supply chain. Blockchain is a novel technology innovatively adopted in various industries, including the halal food industry. It offers advanced database mechanisms, enabling transparent information sharing within business networks. The design of the digitalized halal food supply chain based on blockchain technology utilizes the principles of halal traceability, halal assets specificity, halal quality assurance, halal trust, and halal commitments. The implications of this research aim to assist the Indonesian government in formulating policies for the halal industry, enabling its significant growth through the utilization of cutting-edge technology, namely blockchain, in the digitalization of the halal food supply chain. Blockchain technology serves as a solution to the challenges within the halal food supply chain in Indonesia. This study can also yield a role model for the digitalization design of halal food supply chain management based on blockchain, which the government can adopt to establish an effective, efficient, secure, and decentralized digitalization system for managing the halal food supply chain.

## References

- Abdul, A. R., & Khokhar, A. J. (2023). Role of Indonesian Council of Ulama in Halāl certification and product guarantee. *Journal of Islamic Thought and Civilization*, 13(1), Article 1. <https://journals.umt.edu.pk/index.php/JITC/article/view/2444>
- Abdullah, R. B. (2018). Contemporary challenges of Malaysia Halal industry. *Advances in Social Sciences Research Journal*, 5(10). <https://doi.org/10.14738/assrj.510.5259>
- Adnani, L., Jusuf, E., Alamsyah, K., & Jamaludin, M. (2023). The role of innovation and information sharing in supply chain management and business performance of halal products in tourism destinations. *Uncertain Supply Chain Management*, 11(1), 195–202. <https://doi.org/10.5267/j.uscm.2022.10.007>
- Afendi, A. (2020). The effect of Halal certification, Halal awareness and product knowledge on purchase decisions for Halal fashion products. *Journal of Digital Marketing and Halal Industry*, 2(2), Article 2. <https://doi.org/10.21580/jdmhi.2020.2.2.6160>
- Ahmad, A. N., Zulfigar, S. B., Farudz, B. Z. M., & Zulkifli, N. N. Binti. (2022). Halal integrity in the supply chain. *Halal Logistics and Supply Chain Management*, 132–150. Query date: 2023-03-05 22:45:25. <https://doi.org/10.4324/9781003223719-14>
- Ahyar, M. K. (2020). Halal industry and Islamic banking: A study of Halal ecosystem regulation in Indonesia. *Journal of Finance and Islamic Banking*, 2(2). <https://doi.org/10.22515/jfib.v2i2.1929>
- Akim, A., Konety, N., Purnama, C., & Korina, L. C. (2019). The shifting of Halal certification system in Indonesia: From society-centric to state-centric. *MIMBAR : Jurnal Sosial Dan Pembangunan*, 35(1), Article 1. <https://doi.org/10.29313/mimbar.v35i1.4223>
- Alamsyah, A., Hakim, N., & Hendayani, R. (2022). Blockchain-based traceability system to support the Indonesian Halal supply chain ecosystem. *Economies*, 10(6), 134–134. <https://doi.org/10.3390/economies10060134>

- Ali, M. H., Iranmanesh, M., Tan, K. H., Zailani, S., & Omar, N. A. (2021). Impact of supply chain integration on halal food supply chain integrity and food quality performance. *Journal of Islamic Marketing*, 13(7), 1515–1534. <https://doi.org/10.1108/jima-08-2020-0250>
- Alserhan, B. A. (2017). The principles of Islamic marketing. *Routledge*. <https://doi.org/10.4324/9781351145688>
- Alserhan, B. A., Zeqiri, J., Ramadani, V., & Dana, L.-P. (2022). Halal industry: Threats and barriers. In B. A. Alserhan, V. Ramadani, J. Zeqiri, & L.-P. Dana (Eds.), *Strategic Islamic marketing: A roadmap for engaging Muslim consumers* (pp. 7–10). Springer International Publishing. [https://doi.org/10.1007/978-3-030-98160-0\\_2](https://doi.org/10.1007/978-3-030-98160-0_2)
- Al-Teinaz, Y. R., & Al-Mazeedi, H. M. M. (2020). Halal certification and international Halal standards. In *The Halal food handbook* (pp. 227–251). John Wiley & Sons, Ltd. <https://doi.org/10.1002/9781118823026.ch15>
- Argani, A., & Taraka, W. (2020). Pemanfaatan Teknologi Blockchain Untuk Mengoptimalkan Keamanan Sertifikat Pada Perguruan Tinggi. *ADI Bisnis Digital Interdisiplin Jurnal*, 1(1), 10–21. <https://doi.org/10.34306/abdi.v1i1.121>
- Arifin, M. R., Raharja, B. S., & Nugroho, A. (2022). Do young Muslim choose differently? Identifying consumer behavior in Halal industry. *Journal of Islamic Marketing* (ahead-of-print). <https://doi.org/10.1108/JIMA-02-2021-0049>
- Artikel—BPJPH. (n.d.). Retrieved 9 March 2023, from <http://halal.go.id/artikel/17>
- Asa, R. S. (2019). An overview of the developments of Halal certification laws in Malaysia, Singapore, Brunei and Indonesia. *Jurnal Syariah*, 27(1), Article 1. <https://doi.org/10.22452/10.22452/js.vol27no1.7>
- Asosiasi Penyelenggara Jasa Internet Indonesia. (2023). Retrieved 8 March 2023, from [https://apjii.or.id/berita/d/apjii-di-indonesia-digital-outlook-2022\\_857](https://apjii.or.id/berita/d/apjii-di-indonesia-digital-outlook-2022_857)
- Badan Pusat Statistik. (n.d.). Retrieved 14 February 2023, from <https://www.bps.go.id/indicator/12/1975/1/jumlah-penduduk-pertengahan-tahun.html>
- Bashir, A. M. (2019). Effect of halal awareness, halal logo and attitude on foreign consumers' purchase intention. *British Food Journal*, 121(9), 1998–2015. <https://doi.org/10.1108/BFJ-01-2019-0011>
- Blockchain-Based Halal Food Supply Chain: A Potential for Mutual Symbiosis with Islamic Finance*. (n.d.). Retrieved 13 March 2023, from <https://www.linkedin.com/pulse/blockchain-based-halal-food-supply-chain-potential-mutual-nida-khan>
- Digital ABCD ... A Modern Day Symphony to Rejuvenate Lifesciences Business and IT Operations*. (n.d.). Retrieved 12 March 2023, from <https://www.linkedin.com/pulse/digital-abcd-modern-day-symphony-rejuvenate-business-shrivastava>
- Dwi, F. (n.d.). *Mixue Halal Enggak Sih? Ini Penjelasan Perusahaan*. CNBC Indonesia. Retrieved 9 March 2023, from <https://www.cnbcindonesia.com/lifestyle/20221231110633-33-401703/mixue-halal-enggak-sih-ini-penjelasan-perusahaan>
- Hamid, Z. J. B. I. M. H., & Tan, M. I. B. I. (2022). Traceability technology in Halal logistics and supply chain. *Halal Logistics and Supply Chain Management*, 67–77. Query date: 2023-03-05 22:45:25. <https://doi.org/10.4324/9781003223719-8>
- Handayani, D. I., & Vanany, I. (2021). *Blockchain application in Halal supply chain: Literature review and future research*. 2021 IEEE International Conference on Industrial Engineering and Engineering Management (IEEM). Query date: 2023-03-05 22:45:25. <https://doi.org/10.1109/ieem50564.2021.9673084>
- Hendayani, R., & Fernando, Y. (2022). Adoption of blockchain technology to improve Halal supply chain performance and competitiveness. *Journal of Islamic Marketing*. Query date: 2023-03-05 22:45:25. <https://doi.org/10.1108/jima-02-2022-0050>
- Hidayati, J., Vamelia, R., Hammami, J., & Endri, E. (2023). Transparent distribution system design of halal beef supply chain. *Uncertain Supply Chain Management*, 11(1), 31–40. <https://doi.org/10.5267/j.uscm.2022.12.003>

- Hosanna, M. A., & Nugroho, S. A. (2018). Pelaksanaan Undang-Undang Nomor 33 Tahun 2014 Tentang Jaminan Produk Halal Terhadap Pendaftaran Sertifikat Halal Pada Produk Makanan. *Jurnal Hukum Adigama*, 1(1), 511. <https://doi.org/10.24912/adigama.v1i1.2155>
- Inayatullah, M. R., & Kumala, D. (2022). *Blockchain technology to improve transparency Halal food global supply chain*. Proceedings of the International Conference on Industrial Engineering and Operations Management, pp. 252–258. <https://doi.org/10.46254/SA03.20220066>
- Industri Makanan Halal Butuh Rantai Pasok Terintegrasi*. (2021, October 2). Republika Online. <https://republika.co.id/share/r0csuv457>
- Jakiyudin, A. H., & Fedro, A. (2022). SEHATI: Peluang Dan Tantangan Pemberian Sertifikasi Halal Gratis Bagi Pelaku Umk Di Indonesia. *Al-Mustashfa: Jurnal Penelitian Hukum Ekonomi Syariah*, 7(2), Article 2. <https://doi.org/10.24235/jm.v7i2.10666>
- Jamaludin, N. F., & Sugawara, K. (2022). Halal logistics certification and regulations in Japan. *Halal Logistics and Supply Chain Management*, 196–210. Query date: 2023-03-05 22:45:25. <https://doi.org/10.4324/9781003223719-20>
- Kail, E. M. (2023). Islamic fintech landscape. In V. Ramadani, B. A. Alserhan, L. P. Dana, J. Zeqiri, H. Terzi, & M. Bayirli (Eds.), *Research on Islamic business concepts* (pp. 89–101). Springer International Publishing. [https://doi.org/10.1007/978-3-031-18663-9\\_6](https://doi.org/10.1007/978-3-031-18663-9_6)
- Kasanah, N., & Sajjad, M. H. A. (2022). Potensi, Regulasi, dan Problematika Sertifikasi Halal Gratis. *Journal of Economics, Law, and Humanities*, 1(2), Article 2. <https://doi.org/10.21154/jelhum.v1i2.1196>
- Khairuddin, M. M., Yusrizza, F. A., Rahman, N. A. A., Mohamed, A. M. D., Rahim, S. A., & Ahmad, M. F. (2022). Halal logistics and supply chain management research. *Halal Logistics and Supply Chain Management*, 230–235. Query date: 2023-03-05 22:45:25. <https://doi.org/10.4324/9781003223719-23>
- Kraus, S., Jones, P., Kailer, N., Weinmann, A., Chaparro-Banegas, N., & Roig-Tierno, N. (2021). Digital transformation: An overview of the current state of the art of research. *SAGE Open*, 11(3), 21582440211047576. <https://doi.org/10.1177/21582440211047576>
- Krisna, R., & Yusuf, M. (2023). Halal ecosystem improvement study reviewed of Halal product regulations Halal. *International Journal of Research and Review*, 10(2), 339–359. <https://doi.org/10.52403/ijrr.20230243>
- Lebang, C. G. (2023). *Transformasi Digital Indonesia Kondisi Terkini dan Proyeksi* (1 ed., vol. 1). Laboratorium Indonesia 2045.
- Lynarbi, I., Haque, M. G., Purwanto, A., & Sunarsi, D. (2020). Analisis Pengaruh Lahirnya U.U No. 33 Tahun 2014 tentang JPH dan Terbitnya PP No. 31 Tahun 2019 tentang JPH terhadap Keputusan Melakukan MoU dan Perjanjian Kerja Sama Calon LPH dengan BPJPH. *International Journal of Social, Policy and Law*, 1(1), Article 1. <https://doi.org/10.8888/ijospl.v1i1.53>
- Majid, Z. A., Shamsudin, M. F., & Rahman, N. A. A. (2023). The five constituents of Halal supply chain integrity—Halal traceability, Halal assets specificity, Halal quality assurance, Halal trust, Halal commitments and Halal barriers. *Halal Supply Chain Integrity*, 28–37. Query date: 2023-03-05 22:45:25. <https://doi.org/10.4324/9781003305682-9>
- Nasyiah, T., Bahalwan, E., Hafish, M. A., Barraq, R. F., & Zulfikarjah, F. (2022). Blockchain for Halal food supply chain. In *Handbook of research on promoting logistics and supply chain resilience through digital transformation*, 121–128. Query date: 2023-03-05 22:45:25. <https://doi.org/10.4018/978-1-6684-5882-2.ch008>
- Nurfalah, I., & Rusydiana, A. S. (2019). Digitalisasi Keuangan Syariah Menuju Keuangan Inklusif: Kerangka Maqashid Syariah. *Eksansi: Jurnal Ekonomi, Keuangan, Perbankan, Dan Akuntansi*, 11(1), Article 1. <https://doi.org/10.35313/eksansi.v11i1.1205>
- Pardiansyah, E., Abduh, M., & Najmudin. (2022). Sosialisasi dan Pendampingan Sertifikasi Halal Gratis (Sehati) Dengan Skema Self-Declare Bagi Pelaku Usaha Mikro di Desa Domas. *Jurnal Pengabdian Dan Pengembangan Masyarakat Indonesia*, 1(2), Article 2. <https://doi.org/10.56303/jppmi.v1i2.39>
- Pendampingan PPH*. (n.d.). Retrieved 2 March 2023, from <https://info.halal.go.id/pendampingan/>

- Purwanto, A., Haque, M. G., Sunarsi, D., & Asbari, M. (2021). The role of brand image, food safety, awareness, certification on Halal food purchase intention: An empirical study on Indonesian consumers. *Journal of Industrial Engineering & Management Research*, 2(3), Article 3. <https://doi.org/10.7777/jiemar.v2i3.144>
- Rachman, A. (2020). Halal branding; A religious doctrine in the development of Islamic Da'wah. *Journal of Digital Marketing and Halal Industry*, 2(2), Article 2. <https://doi.org/10.21580/jdmhi.2020.2.2.6149>
- Rachman, A., Faluthamia, M. A., Said, M., & Haura, A. (2022a). The urgency of Halal tourism literacy in responding to rejection of Halal tourism in Indonesia. *Afkaruna: Indonesian Interdisciplinary Journal of Islamic Studies*, 18(1), Article 1. <https://doi.org/10.18196/afkaruna.v18i1.12770>
- Rachman, A., Haura, A., Firdaus, K., Fadilah, M., Khairurredha, M., & Azizah, I. (2022b). Upaya Peningkatan Kapasitas Usaha Mikro “Nasi Uduk Kak Uwir” Melalui Re-Branding, Re-Packaging, Dan Re-Promoting. *Jurnal Abdi Insani*, 9(2), Article 2. <https://doi.org/10.29303/abdiinsani.v9i2.531>
- Rachman, A., Maemunah, M., & Ulpah, M. (2022c). Desain Baru Logo Halal Badan Penyelenggara Jaminan Produk Halal; Antara Urgensi, Seni, Dan Esensi. *El-Buhuth: Borneo Journal of Islamic Studies*, 245–262. <https://doi.org/10.21093/el-buhuth.v0i0.4700>
- Rachman, A., & Sangare, B. (2023). Synergy and collaboration between government and private institutions in building Halal ecosystems in Indonesia. *Jurnal Ilmiah Islam Futura*, 23(2), Article 2. <https://doi.org/10.22373/jiif.v23i2.17507>
- Rachman, A., Sunardi, S., Simatupang, A. D. R., Tidjani, S., & Azwar, M. (2023). Pendampingan Proses Produk Halal Dalam Program Sertifikasi Halal Gratis (SEHATI) Bagi Pelaku UMKM Kedu Emas Tangerang. *JAPI (Jurnal Akses Pengabdian Indonesia)*, 8(1), 1–8. <https://doi.org/10.33366/japi.v8i1.4558>
- Rafianti, F., Krisna, R., & Radityo, E. (2022). Dinamika Pendampingan Manajemen Halal Bagi Usaha Mikro dan Kecil Melalui Program Self Declare. *Jurnal Sains Sosio Humaniora*, 6(1), Article 1. <https://doi.org/10.22437/jssh.v6i1.19732>
- Rahman, M. M., & Razimi, M. S. A. (2023). Chapter 16—Halal biotechnology product: Halal supply chain compliance and integrity risk. In N. N. Ahmad Nizar, S. A. S. Zainal Abidin, & A. Bujang (Eds.), *Innovation of food products in Halal supply chain worldwide* (pp. 195–204). Academic Press. <https://doi.org/10.1016/B978-0-323-91662-2.00016-8>
- Rashid, N. A., & Bojei, J. (2019). The relationship between halal traceability system adoption and environmental factors on halal food supply chain integrity in Malaysia. *Journal of Islamic Marketing*, 11(1), 117–142. <https://doi.org/10.1108/jima-01-2018-0016>
- Rehman, A. (2023). Halal healthcare tourism in India: The road ahead. In V. Ramadani, B. Alserhan, L.-P. Dana, J. Zeqiri, H. Terzi, & M. Bayirli (Eds.), *Research on Islamic business concepts* (pp. 1–14). Springer Nature. [https://doi.org/10.1007/978-981-99-5118-5\\_1](https://doi.org/10.1007/978-981-99-5118-5_1)
- Shamsudin, M. F., & Majid, H. Z. A. (2022). Technology and traceability in Halal logistics. *Halal Logistics and Supply Chain Management*, 78–88. Query date: 2023-03-05 22:45:25. <https://doi.org/10.4324/9781003223719-9>
- State of the Global Islamic Economy Report 2022. (2022, August 29). *DinarStandard*. <https://www.dinarstandard.com/post/state-of-the-global-islamic-economy-report-2022>
- Suzery, M., Widayat, W., Cahyono, B., & Al-Baarri, A. N. (2020). Proses Perbaikan Produksi Dalam Pendampingan Sertifikasi Halal Bagi Paguyuban Usaha Kuliner. *Indonesia Journal of Halal*, 2(2), 53–57. <https://doi.org/10.14710/halal.v2i2.7892>
- Tan, Mohd. I. I., & Husny, Z. J. I. M. (2020). Digital innovation, Halal industry and the fourth industrial revolution. *Halal Logistics and Supply Chain Management in Southeast Asia*, 228–242. Query date: 2023-03-05 22:45:25. <https://doi.org/10.4324/9780429329227-17>
- Tieman, M., Darun, M. R., Fernando, Y., & Ngah, A. B. (2019). Utilizing blockchain technology to enhance Halal integrity: The perspectives of Halal certification bodies. In Y. Xia & L.-J. Zhang (Eds.), *Services—SERVICES 2019* (pp. 119–128). Springer International Publishing. [https://doi.org/10.1007/978-3-030-23381-5\\_9](https://doi.org/10.1007/978-3-030-23381-5_9)
- Toewoeh, T. A. M. R. (2022, November 19). Akselerasi Transformasi Digital Pacu Pertumbuhan Ekonomi Digital. *Ditjen Aptika*. <https://aptika.kominfo.go.id/2022/11/akselerasi-transformasi-digital-pacu-pertumbuhan-ekonomi-digital/>

- Tumangger, D. (2022, March 24). *Tantangan Kesenjangan Dibalik Transformasi Digital*. Kementerian Pendayagunaan Aparatur Negara dan Reformasi Birokrasi. <https://www.menpan.go.id/site/berita-terkini/tantangan-kesenjangan-dibalik-transformasi-digital>
- Usman, H., Mulia, D., Chairy, C., & Widowati, N. (2020). Integrating trust, religiosity and image into technology acceptance model: The case of the Islamic philanthropy in Indonesia. *Journal of Islamic Marketing*, 13(2), 381–409. <https://doi.org/10.1108/JIMA-01-2020-0020>
- Vial, G. (2019). Understanding digital transformation: A review and a research agenda. *The Journal of Strategic Information Systems*, 28(2), 118–144. <https://doi.org/10.1016/j.jsis.2019.01.003>
- Wijoyo, H. (2021). *Transformasi Digital dari Berbagai Aspek*. Insan Cendekia Mandiri.
- Zoppelletto, A., Bullini Orlandi, L., & Rossignoli, C. (2020). Adopting a digital transformation strategy to enhance business network commons regeneration: An explorative case study. *The TQM Journal*, 32(4), 561–585. <https://doi.org/10.1108/TQM-04-2020-0077>

**Mohd. Heikal** is Associate Professor of Marketing at the Faculty of Economics and Business at Malikussaleh University, holds a Bachelor of Economics and Master of Management from Syiah Kuala University, Banda Aceh, and a Doctor of Management from University of Pasundan, Bandung. His pioneering research in marketing is mostly related to zakat, halal, and finance. He also participated in International Conferences in several countries as well a keynote speaker at International Conferences and guest lecturer at several universities. Currently, he is an undergraduate and postgraduate lecturer at the Department of Management, Faculty of Economics and Business.

**Abdul Rachman** is Associate Professor of Islamic Economics at Faculty of Islamic Economics and Business, Scholar of Abditama University, holds a Bachelor's Degree in Islamic Law from Al-Azhar University, Cairo Egypt and a Masters of Sharia from Universiti Malaya, Malaysia and a Doctor in Islamic Studies from UIN Syarif Hidayatullah Jakarta, Indonesia. His pioneering research is in Islamic Economics, Sharia Economic Law, Halal Industry, Halal Tourism, etc. Many of his researches discuss halal tourism, halal industry and Islamic economics. He participated in many international conferences as a presenter with various themes in the halal industry sector. Presently, he teaches undergraduate courses in Islamic economics at the Faculty of Islamic Economics and Business, Cendekia Abditama University.

**Muizzudin** is Researcher of Sharia Management at Cendekia Abditama University, holds a Bachelor's Degree in Sharia Law from Darunnajah University and a Master' Degree in Management from Budi Luhur University. His pioneering research in sharia management resulted in sixteen articles in nationally accredited journals and international conference proceedings since 2019. Presently, he teaches undergraduate courses of Sharia Business Management and Introduction to Business Management, applying experiences from his work with local and national agencies on Sharia Business Management and Sharia Business Development for micro, small, and medium enterprises. Besides teaching, he also assists micro, small, and medium enterprises to get halal product certification.

**Falahuddin** is a lecturer at Universitas Malikussaleh since last decade and holds master's degree in Marketing Management from Universitas Malikussaleh, attending several national and global training on Islamic Economics as well as Islamic Accounting. His recent concern on Halal supply Chain Management engaged in several research looking for positive impact to the local SMEs. His extended experience as Microfinance Specialist gathered SMEs in his district to defining the most flexible halal material supply chain model. He teaches undergraduate course in Islamic Economics at the Faculty of Economics and Business, Universitas Malikussaleh.



# Faith-Centric Consumerism?—Halal Brand Attitude and Research Agenda



Fitriani Tobing, Muhammad Dharma Tuah Putra Nasution,  
Dwita Sakuntala, Muhammad Rizal, Hery Syahrial, and Ahmad Rafiki

**Abstract** This study explores the relatively unexplored realm of Halal brand attitude—a concept that bridges consumer attitudes, religiosity, and brand perceptions within the context of Halal brands. This study adopts a content analysis approach, systematically synthesizing a diverse range of scholarly sources to develop a comprehensive conceptual framework for understanding Halal brand attitudes. The exploration of Halal brand attitude presents an exciting and unexplored area within the field of consumer attitudes and branding. By unveiling its nuances and implications, this study contributes to enriching the marketing knowledge landscape. As a future research agenda, empirical studies can further validate the conceptual framework and delve into the real-world manifestations of Halal brand attitude, thus providing more actionable insights for marketers and practitioners.

**Keywords** Halal brand attitude · Customer attitude · Brand attitude · Research agenda

---

F. Tobing · H. Syahrial

Faculty of Economics and Business, Universitas Medan Area, Medan, North Sumatera, Indonesia  
e-mail: [fitrianitobing@staff.uma.ac.id](mailto:fitrianitobing@staff.uma.ac.id)

M. D. T. P. Nasution

Department of Management, Universitas Pembangunan Panca Budi, Medan, North Sumatera, Indonesia

D. Sakuntala

Universitas Prima Indonesia, Medan, North Sumatera, Indonesia  
e-mail: [dwitasakuntala@unprimdn.ac.id](mailto:dwitasakuntala@unprimdn.ac.id)

M. Rizal

Department of Management, Faculty of Economics, Universitas Samudra, Langsa, Aceh, Indonesia  
e-mail: [rizal.yzf@unsam.ac.id](mailto:rizal.yzf@unsam.ac.id)

A. Rafiki (✉)

Faculty of Economics and Business, Universitas Medan Area, Medan, North Sumatera, Indonesia  
e-mail: [hahmadrafiki@gmail.com](mailto:hahmadrafiki@gmail.com)



## Introduction

The study of consumer attitudes toward Halal brands holds significant importance and intrigue. Numerous research endeavors have delved into understanding the intricate relationship between these attitudes and factors such as religiosity, subjective norms, and purchase intention. A notable example is the work by Mukhtar and Butt (2012), which investigated the predictive role of Muslim attitudes toward Halal products, along with subjective norms and religiosity, in influencing the intention to choose Halal products. Their findings underscored the powerful influence of subjective norms on the decision-making process.

Garg and Joshi (2018) conducted a study in India, focusing on the purchase intention of Halal brands and the pivotal role that attitude plays. They demonstrated a significant impact of attitude toward Halal-branded products on purchase intention, particularly in a country such as India, which has a substantial Muslim population. Building on this, Hidayati and Sunaryo (2021) explored the impact of Halal labels on shaping attitudes toward Halal products, subsequently influencing brand image and purchase intention among Muslim consumers. This study vividly illuminated the tangible influence of Halal labeling on consumer behavior.

Furthermore, the exploration by Handriana et al. (2020) into the purchasing behavior of the millennial female demographic regarding Halal cosmetic products sheds light on how a positive brand image can drive consumers toward Halal products. This emphasized the critical connection between brand image and consumer attitudes.

The topic of consumer attitudes toward Halal brands is not only fascinating but also significantly relevant (Alserhan et al., 2022). Previous research has diligently examined the interplay between attitudes toward Halal products and a spectrum of determinants, including religiosity, subjective norms, and purchase intention. The comprehension of these attitudes is a treasure trove of insights for marketers, enabling them to craft effective strategies.

The existing body of literature has also divided into various components surrounding consumer attitudes toward brands. Keller (1993) illuminates the concept of customer-based brand equity, which hinges on brand knowledge and its impact on consumer response to marketing efforts (Keller, 1993). Batra and Ahtola (1991) unravel the multifaceted nature of consumer attitudes, delving into hedonic and utilitarian components that fluctuate across products and behaviors (Batra & Ahtola, 1991). In the context of Halal brands, Garg and Joshi (2018), Clarita et al. (2020), and Ahmadova and Aliyev (2021) shed light on the dynamic interplay between attitude and purchase intention, which is often influenced by religiosity (Ahmadova & Aliyev, 2021; Clarita et al., 2020; Garg & Joshi, 2018). Additionally, Hidayati and Sunaryo (2021) emphasize the pivotal connection between attitudes toward Halal products and brand image.

While these studies provide valuable insights into consumer attitudes and brand relationships, there exists an area that has received relatively less attention—the concept of Halal brand attitude. This study aims to address this research gap by

elucidating and introducing the innovative concept of the Halal brand attitude, thus contributing to the richness and expansiveness of marketing knowledge.

## Literature Review

### *Dynamics of Attitudes: Formation, Transformation, and Influence*

The concept of attitude encapsulates an individual's assessment or judgment of an object, person, group, or situation (Fazio & Williams, 1986). It is a psychological construct that exerts its influence over thoughts, emotions, and actions (Petty et al., 1997). Attitudes, as expounded by Karpinski et al. (2005), can manifest in explicit or implicit forms—conscious or unconscious manifestations. Explicit attitudes are conscious convictions and appraisals that individuals can readily articulate, whereas implicit attitudes are subconsciously automatic evaluations that may diverge from their explicit counterparts.

An imperative facet of attitudes, underscored by Fazio and Williams (1986), lies in their accessibility—a measure of how effortlessly and promptly an attitude can be retrieved from memory. This notion of attitude accessibility wields the power to moderate the interplay between attitudes and perception or behavior. Notably, attitudes that swiftly activate upon encountering their target objects hold the potential to exert a more significant influence on subsequent perception and behavior.

Moreover, the significance attributed to attitudes holds pivotal implications for their association with behavior. When attitudes hold personal significance, individuals are inclined to deliberate upon them, thereby reinforcing the link between implicit and explicit measures (Karpinski et al., 2005). Deliberation involves introspecting and pondering upon one's attitudes, subsequently influencing responses on ensuing implicit attitude measurements (Karpinski et al., 2005).

Attitude transformation stands as yet another pivotal facet in the realm of attitudes. Guided by cognitive dissonance theory, instances where individuals experience inconsistency or conflict between attitudes and actions motivate a drive to alleviate this discord by reshaping attitudes (Petty et al., 1997). Additionally, the opportunity to attribute emotions or physiological reactions to certain stimuli can also impact attitude change (Cialdini et al., 1981). For instance, attributing discomfort to an experimental setting can mitigate attitude change following behavior incongruent with pre-existing attitudes.

The complexity underlying attitude formation is underscored by a myriad of influencing factors. According to Kondrotienė and Bakanauskas (2021), attitudes may crystallize through firsthand encounters, socialization processes, and exposure to persuasive messages. The interplay between attitude formation and ensuing behavior unveils a causal-consequential relationship, implying that attitudes wield the power to shape behavior and, conversely, that behavior can mold attitudes. Personal values,

beliefs, societal norms, and contextual circumstances collectively contribute to the intricate web of attitude formation (Bakanauskas et al., 2020).

To encapsulate, attitudes encompass evaluative judgments that wield a profound influence over thoughts, emotions, and actions. Grasping the essence of attitudes stands as a fundamental tenet in the realm of psychology and social psychology research, as these evaluative constructs wield a paramount role in sculpting human behavior.

### ***Understanding Customer-Brand Attitude: Dimensions and Dynamics***

Within the realm of marketing and consumer behavior, two paramount dimensions, brand and customer attitudes, have become prominent. These dimensions illuminate the intricate fabric of consumer perceptions and evaluations, yet each boasts a unique focus and distinct underpinnings.

**Customer Attitude**—Serving as a holistic lens, customer attitude encompasses the comprehensive assessment, perception, and disposition of a customer toward a brand, product, or company. This multifaceted construct draws from a tapestry of elements—ranging from beliefs and emotions to preferences and behaviors—unfurling the intricate relationship between consumers and the entity in question (Fuchs & Schreier, 2010; Wong & Sohal, 2003). A medley of factors, including customer satisfaction, trust, commitment, perceived value, and empowerment, intricately mold this construct (Donio et al., 2006; Fuchs & Schreier, 2010).

**Customer Loyalty**—Nestled within customer attitude is the cardinal concept of customer loyalty—an affirmative inclination toward a brand or company. This disposition acts as a catalyst, igniting repeat purchases, positive word-of-mouth, and forging a profound psychological bond with the entity (Wong & Sohal, 2003). Anchored by metrics such as repeat purchase behavior, purchase intentions, and the establishment of a psychological connection, customer loyalty emerges as a strategic asset underpinning profitability (Donio et al., 2006).

**Customer Empowerment**—Another facet-adorning customer attitude is customer empowerment—an avenue that bestows customers with decision-making prowess and dominion over their interactions with brands or companies. This empowerment amplifies the perception of customer orientation, thus fostering more favorable corporate attitudes from consumers. A strategic underpinning, customer empowerment unfolds as a competitive advantage, emboldening companies in the bustling market terrain (Fuchs & Schreier, 2010).

**Customer Satisfaction**—Central to customer attitude is customer satisfaction—an evaluative gage of the entire interaction with a product or service. By assessing global satisfaction, alignment between anticipated and perceived value, and value perception, positive customer satisfaction casts a favorable light on the brand or company. Moreover, the interplay between customers, employees, and the company

is the basis of customer attitude. A symphony of positive attitude, behavior, and engagement culminates in heightened stakeholder engagement (Pitt et al., 2019).

**Brand Attitude**—Brand attitude encapsulates the holistic evaluation and preference consumers harbor for a brand (Huang et al., 2014). This comprehensive construct weaves together the affective, cognitive, and behavioral dimensions of attitude (Ghorban, 2012). Affective strands resonate with the emotional connect consumers nurture toward a brand, while cognitive threads weave in their beliefs and thoughts about the brand. The behavioral facet threads the tapestry, encapsulating the actions and conduct consumers exhibit toward the brand.

**Predictive Power**—The significance of brand attitude unveils itself as a cornerstone in consumer behavior—foretelling an array of consumer actions from brand consideration, purchase intention, and actual purchase behavior to brand selection (Lee et al., 2018). Positive brand attitudes underpin the bedrock of long-term brand prosperity and sustainability, propelling behaviors that fortify brand profitability and customer lifetime value.

In sum, brand and customer attitudes unfurl as pivotal dimensions, each offering a nuanced vantage point within marketing and consumer behavior. While brand attitude spotlights consumers' evaluation of a brand—forged by factors such as awareness, image, and experience—customer attitude encapsulates a broader evaluation, rooted in genuine experiences and intricately woven with loyalty dynamics. These dimensions, when harmonized, unlock the keys to forging enduring customer relationships and propelling brand triumph.

In the realm of marketing and consumer behavior, both brand and customer attitudes emerge as pivotal dimensions, each offering distinct perspectives on how consumers perceive and evaluate brands. However, they diverge significantly in terms of their focal points and the underlying factors that shape them.

**Brand Attitude**—This dimension revolves around consumers' perceptions and evaluations of a brand, which are predominantly influenced by marketing endeavors and brand associations (Ahn & Back, 2018; Ha & Lam, 2016). It delves into how consumers view a brand based on the messages and imagery put forth by the brand itself. Brand attitude encompasses factors such as brand awareness and the resonance evoked by marketing strategies. It constitutes a pivotal consideration for marketers and managers endeavoring to cultivate a robust brand identity and sustain customer loyalty (Keller, 1993).

In contrast, customer attitude is firmly grounded in the tangible experiences that customers encounter with a brand and the subsequent levels of satisfaction they derive (Suh & Youjiae, 2006). This facet is deeply rooted in the interactions customers have with the brand's products, services, and customer support, rather than being solely reliant on marketing impressions. Direct experiences assume a central role in shaping customer attitudes and influencing their overall contentment with the brand's offerings. The concept of customer attitude holds significant importance in the context of fostering enduring relationships with customers and nurturing their allegiance to the brand.

**Customer Attitude**—is anchored in the tangible experiences that customers undergo when interacting with a brand and their ensuing levels of satisfaction (Suh &

Youjae, 2006). This facet finds its foundation in the interactions customers have with the brand's products, services, and customer support, going beyond reliance solely on marketing impressions. Direct experiences assume a central role in shaping customer attitudes, influencing not only their overall perception but also their contentment with the brand's offerings. The concept of customer attitude holds immense significance in the context of cultivating enduring relationships with customers and nurturing their unwavering loyalty to the brand.

Delving deeper, the multifaceted nature of customer attitude is revealed through various dimensions. These dimensions collectively contribute to customers' overall attitudes toward a brand and influence their behaviors.

**Cognitive Component**—This dimension revolves around the beliefs, thoughts, and perceptions that customers hold about a product, service, or brand. It is a manifestation of their understanding of a brand's attributes, shaped by elements such as product information, advertising, and personal experiences (Carvalho et al., 2023).

**Affective Component**—The affective dimension taps into the emotional and evaluative response customers have toward a brand. It reflects their likes, dislikes, and emotional connections. Elements such as brand image, customer experiences, and social influences contribute to this dimension (Bergel et al., 2019).

**Conative Component**—This facet delves into the behavioral intentions and actions that customers display toward a brand. It reflects their willingness to engage in behaviors such as purchasing, recommending, or advocating for a product. Customer satisfaction, perceived value, and perceived quality are some factors that shape this dimension (Kumar, 2017).

It is noteworthy that these dimensions are not isolated silos; they often interact and influence one another. For instance, a positive cognitive evaluation can lead to heightened affective responses and, consequently, increased behavioral intentions. Moreover, studies consistently underscore the profound impact of customer attitude on purchasing decisions and brand loyalty (Budiarani & Nugroho, 2022; Dmour & Sweidan, 2016; Li & Nuangjamnong, 2022; Roy & Butaney, 2014).

Similarly, brand attitude is characterized by many dimensions and influential factors that collectively shape consumers' perceptions and evaluations of a brand. These encompass not only attitude formation and activation but also facets such as attitude-behavior relation, attitude strength, attitudinal ambivalence, and more (Ajzen, 2001). Additionally, factors such as expertise, brand congruency, follower ratio, and even the interplay of localness and globalness profoundly impact brand attitude (Rayasam & Khattri, 2022; Safeer et al., 2022). The narrative power of brand stories and the potential repercussions of negative publicity further enrich the understanding of brand attitude dynamics.

In essence, comprehending these intricate dimensions and factors is pivotal for marketers and researchers alike. It offers a nuanced view of how customers perceive brands and how these perceptions subsequently influence their behaviors, enabling effective brand management and strategy development.

## ***Factors Shaping Customer Attitudes Toward a Brand***

The realm of customer attitude toward a brand is underpinned by several pivotal factors that collectively weave the intricate tapestry of consumer perception and response.

**Customer-Based Brand Equity**—A cornerstone concept, customer-based brand equity, as expounded by Keller (1993), hinges on the distinctive impact of brand knowledge on consumer response to a brand's marketing. Positive customer-based brand equity is evident when consumer reactions favorably diverge toward a branded element compared within an unbranded counterpart. This underscores the role of consumer understanding and brand perception in shaping customer attitudes (Keller, 1993).

**Brand Knowledge**—A pivotal component, brand knowledge encompasses brand awareness and brand image. Brand awareness gages consumer familiarity, whereas brand image encapsulates associations formed with the brand. These intertwined dimensions, when harnessed positively, shape customer attitudes and perceptions (Keller, 1993).

**Brand Portfolio Management**—A strategic orchestration that treats brands as a coherent portfolio rather than isolated entities can optimize resource allocation and overall performance (Aaker, 1996). By fostering uniform performance measures and a synergistic approach, brand portfolio management emerges as a catalyst for shaping customer attitudes (Aaker, 1996).

**Satisfaction, Loyalty, and Brand Attitudes**—The nexus between customer satisfaction, loyalty, and brand attitudes is a vital undercurrent. Suh and Youjae (2006) delineated the mediating role of brand attitudes in the relationship between customer satisfaction and loyalty. The interplay between these factors is nuanced, with product involvement acting as a moderating factor.

## ***Characteristics of Brand Attitude***

In the tapestry of brand attitude, several characteristics stand out, each bearing distinct significance.

**Brand Awareness**—A cornerstone, brand awareness denotes consumers' recognition and familiarity with a brand (Keller, 1993). This awareness sets the stage for forming opinions and evaluations about the brand, thus profoundly shaping brand attitude (Keller, 1993).

**Brand Image**—Nestled within brand attitude is the realm of brand image—a conglomerate of associations and perceptions consumers foster toward a brand (Keller, 1993). Ranging from product attributes to brand personality, a positive brand image kindles favorable perceptions and emotional bonds (Keller, 1993).

**Brand loyalty**—An influential factor, brand loyalty ripples through brand attitude. Built on consistent positive experiences, trust, satisfaction, and commitment, brand loyalty casts a positive glow on brand attitude (Foroudi et al., 2021; Lili et al., 2022).

**Congruence with Self-Image**—Congruence between brand and consumer self-image is a potent determinant. A sense of alignment between brand values and consumer identity engenders a more favorable brand attitude (Absharina et al., 2021). This alignment draws from brand associations, messaging, and portrayal.

In essence, customer attitude toward a brand is a tapestry woven by factors such as customer-based brand equity, brand knowledge, brand portfolio management, employee attitudes, and the interplay between satisfaction, loyalty, and brand attitudes. Simultaneously, the characteristics of brand attitude encompass brand awareness, brand image, brand loyalty, and congruence with consumer self-image. These facets collectively underpin the rich landscape of consumer perceptions and behaviors toward brands.

### ***Influential Factors on Brand Attitude***

The intricate landscape of brand attitude is intricately shaped by several key factors, each of which has a distinct influence on consumer perceptions and behaviors.

**Brand Attachment:** One prominent factor is brand attachment, which signifies the potency of the bond between consumer and brand (Park et al., 2010). This dynamic connection wields considerable influence on brand equity, propelling various consumer behaviors—ranging from purchase intentions to actual buying actions (Park et al., 2010). However, the delineation of conceptual and empirical disparities between brand attachment and the strength of brand attitude remains a matter warranting further exploration.

**Brand Knowledge:** Central to the brand attitude framework, brand knowledge comprises brand awareness and brand image, representing consumer associations with a brand (Keller, 1993). When brand knowledge marries favorable, robust, and distinctive brand associations, customer-based brand equity is forged. This repository of brand knowledge resonates through consumer responses to marketing initiatives and contributes to brand attitudes (Keller, 1993).

**Self-congruity:** The influence of self-congruity on brand attitude emerges as another influential facet. Self-congruity gages the alignment between a brand and an individual's self-concept (Liu et al., 2012). This congruence fosters positive brand attitudes and brand loyalty by resonating with consumers' self-identities.

In sum, the dynamic tapestry of brand attitude is intricately woven by several pivotal factors. Brand attachment, brand knowledge, and self-congruity each leave an indelible mark on consumer perceptions and behaviors. This understanding holds profound significance for marketers, providing them within the insights needed to predict and mold consumer behaviors within the realm of their brands.

## ***Halal Branding: Navigating Permissibility***

Halal brands have emerged as a distinctive genre that aligns with the principles of Halal products adhering to Islamic dietary laws. Such brands secure Halal certifications as a testament to their compliance with these standards, using dedicated labels to communicate their Halal attributes (Ali et al., 2018; Noorliza, 2022). This strategic alignment enables businesses to unlock new markets, wield competitive edges, and bolster profitability through premium pricing (Ali et al., 2018).

The paradigm of Halal branding extends its roots into conventional branding facets, encompassing brand satisfaction, trust, and loyalty (Ali et al., 2018). A theoretical model by Ali et al. (2018) navigates the intricate interplay between perceived brand quality, Halal brand image, satisfaction, trust, loyalty, and consumer purchase intention (Ali et al., 2018). This study illuminates the pivotal role of perceived brand quality in shaping Halal brand image, satisfaction, trust, loyalty, and purchase intention (Ali et al., 2018).

However, the trajectory of the Halal market is not devoid of challenges. The lack of harmonization in Halal standards and the intricacies of conveying the Halal concept to consumers pose hurdles that stymie market growth (Fuseini et al., 2020). Achieving a unified global Halal definition remains elusive, casting shadows on the market's potential (Fuseini et al., 2020).

Crafting a resilient Halal brand necessitates technology integration and operational alignment with Halal requisites (Fernando et al., 2022). This synergy not only enhances brand performance but also bolsters consumer confidence in selecting the company's offerings (Fernando et al., 2022).

## ***Dimensions of Halal Brands: Unveiling the Complexity***

The dimensions encapsulating Halal brands unveil a multifaceted landscape, the contours of which shift with contextual variations. Several dimensions have been discerned in the literature, each providing insights into the complex interplay within Halal branding.

Aziz and Chok's (2013) study explored factors influencing Halal purchase intention among non-Muslims in Malaysia, spotlighting the significance of halal awareness, certification, marketing promotions, and brand attributes in driving purchase intention. Intriguingly, food quality emerged as inversely related to purchase intention, adding nuances to the realm of Halal branding. Razali and Othman's (2021) study delved into the augmentation of brand awareness through Halal brand personality, unveiling five dimensions—purity, excitement, sophistication, safety, and righteousness—that contribute to brand awareness. These dimensions reflect the intricate interplay of emotions and attributes that underpin Halal's persona brands. Furthermore, Zainudin et al. (2019) traversed the landscape of Halal brand personality and its impact on brand loyalty among millennial modest fashion consumers in Malaysia.



The excitement dimension of Halal brand personality-encompassing traits such as uniqueness, contemporary appeal, and imaginative flair—emerged as a pivotal driver of brand loyalty.

Importantly, the spiritual facet of Halal brands has a profound influence, as consumers perceive these brands through Islam's prism (Farah, 2020). Halal labeling is a prominent feature that ingrains the spiritual essence of the brand, establishing its identity as aligned with Islamic principles (Farah, 2020; Khan, 2022).

In sum, the dimensions of Halal brands encompass elements such as halal awareness, certification, marketing, brand personality, and the spiritual underpinnings of Islam. These dimensions intricately weave the tapestry of consumer purchase intention, brand awareness, and loyalty within the Halal product landscape.

### *Distinctive Aspects of Halal Brands*

The realm of halal brands unveils a tapestry of distinguishing characteristics that set them apart from their counterparts. These nuances carry substantial implications for brand managers seeking to cater to the discerning preferences of halal-conscious consumers.

**Consumer Risk Aversion**—A pivotal trait of halal-conscious consumers is their inclination toward risk aversion, imbuing their behavior with meticulous scrutiny and high involvement (Wilson & Liu, 2011). This disposition underscores the imperative for halal brands to instill unwavering trust and assurance in their consumers—an essential factor in both attracting and retaining this distinctive audience.

**Navigating Emotional Terrain**—The emotional landscape traversed by halal brands is intricate, marked by sensitivities and considerations unique to this domain (Wilson & Liu, 2011). The inclusion of emotions such as seduction and humor warrants thoughtful navigation, adhering to the tenets of the halal paradigm while engaging consumers on an emotional level (Wilson & Liu, 2011).

**Balancing Rationality and Emotionality**—The canvas of halal brands necessitates the seamless blending of rationality and emotionality (Wilson & Liu, 2011). Beyond functional attributes, these brands must forge profound emotional connections with their audience—a feat accomplished by aligning brand messaging and positioning with the values and beliefs of the target demographic (Wilson & Liu, 2011).

**Market Penetration and Competitive Edge**—A salient feature of halal brands is their potential to penetrate new markets and harness competitive advantages (Ali et al., 2018). By positioning themselves as halal, businesses can tap into the burgeoning demand for such products, effectively catering to the needs of Muslim consumers (Ali et al., 2018). This strategic positioning enables brands to command higher prices and profit margins (Ali et al., 2018).

**Trust and Quality**—Central to halal brands is the establishment of halal brand trust, which is intricately tied to perceived brand quality (Ali et al., 2018). Consumer trust, image, satisfaction, and loyalty are shaped by the perception of high brand quality,

reinforcing the importance of maintaining and enhancing product excellence (Ali et al., 2018; Noor, 2022).

In summary, the universe of halal brands unfolds with distinctive features that resonate with halal-conscious consumers. A meticulous understanding of these attributes empowers brand managers to craft resonant, compelling brands that capture the essence of their audience, traverse emotions with sensitivity, and maintain the hallmarks of trust and quality.

### *Navigating Halal Brand Attitude: Where Faith and Preference Converge*

The emergence of “Halal brand attitude” marks a significant evolution within the broader landscape of brand attitude, reflecting the growing influence of Islamic values on consumer choices. This specialized perspective recognizes that modern consumers, particularly in Muslim-majority markets, seek more than mere product quality—they seek alignment with their faith and ethical principles (Table 1).

In conclusion, “Halal brand attitude” represents a fusion of religious devotion and consumer preference. As this concept gains traction, brands must understand and measure it accurately to resonate with Muslim consumers and establish a meaningful presence in the burgeoning Halal market segment.

**Table 1** Key dimensions of “Halal brand attitude” in consumer behavior

Aspect	Description
Shifting paradigms	“Halal brand attitude” departs from conventional preferences to focus on brand alignment with Halal principles, catering to Muslim consumers prioritizing faith-based considerations (Garg & Joshi, 2018; Tuhin et al., 2020)
Deeper dimensions	Encompasses a brand’s commitment to religious principles, including transparency in sourcing, production, and ingredient selection—resonating with the Halal-conscious consumer base (Mirkhah & Karami, 2019)
Multifaceted evaluation process	Acknowledges the complex interplay of consumer perceptions, cultural nuances, and religious values, going beyond traditional marketing assessments to include alignment with faith (Choi, 2009; Muhamad & Mizerski, 2010)
Metrics of the evaluation	Involves factors such as brand image and perceived quality, influencing Halal brand attitude and shaping purchase intentions (Ali et al., 2018)
Faith factor	Religious considerations significantly shape attitudes toward Halal products, impacting purchase intentions and reflecting consumers’ faith-driven preferences (Marmaya et al., 2019; Septiarini et al., 2022)

## Research Methodology

This study employs a qualitative content analysis approach to investigate the intricate concept of “Halal brand attitude” within the broader context of brand perception and consumer behavior. The rationale behind choosing content analysis lies in its capacity to extract rich insights from textual sources, unravel underlying themes and offer a holistic comprehension of the phenomenon. Our primary data sources encompass a diverse array of academic articles, scholarly papers, industry reports, and pertinent literature addressing the realm of “Halal brand attitude” and its interconnected concepts. To ensure a purposeful selection, we employ a purposive sampling technique, specifically focusing on sources directly engaging with the concept’s dimensions, influencing factors, and implications for consumer behavior. By incorporating studies from varied cultural and market contexts, we capture the full spectrum of perspectives. The data extraction process involves a meticulous review and categorization of the selected materials. This entails identifying recurring themes, conceptual frameworks, and pivotal findings related to “Halal brand attitude,” its multifaceted dimensions, influential determinants, and the resultant impact on consumer behavior. These emergent themes function as fundamental codes, forming the basis for subsequent analysis. The content analysis methodology encompasses both inductive and deductive approaches. Inductive coding unveils emerging themes from raw data, whereas deductive coding aligns these findings with pre-existing theoretical frameworks. Through systematic organization and categorization, we will scrutinize the extracted data, discerning patterns, relationships, and nuanced insights that illuminate the intricacies of the Halal brand attitude. In this pursuit, the study aspires to contribute valuable insights to the evolving landscape of consumer attitudes and brand perception, thereby enriching marketing knowledge and practice.

## Findings

The article delves into various dimensions of attitudes, with a specific focus on general, customer and brand attitudes. This study explores the intricacies of attitude formation, transformation, and influence, underscoring the roles of accessibility, significance, and deliberation. Additionally, it highlights the connection between attitudes and behavior, demonstrating how personal values, beliefs, societal norms, and contextual circumstances play pivotal roles in shaping attitudes. In the realm of marketing and consumer behavior, this study thoroughly delineates customer attitudes, encompassing customer loyalty, empowerment, and satisfaction. It underscores the multifaceted nature of customer attitudes, covering cognitive, affective, and conative components. Brand attitude is presented as the evaluation and preference that consumers hold for a brand, impacting various consumer actions from consideration to selection.

A critical distinction is drawn between brand and customer attitudes, elucidating that brand attitude is more influenced by marketing efforts and brand associations, whereas customer attitude is rooted in direct experiences. The cognitive, affective, and conative components of customer attitudes are explored, emphasizing their interconnectedness and influence on purchasing decisions and brand loyalty. The article then transitions to factors shaping customer attitudes toward a brand, including customer-based brand equity, brand knowledge, brand portfolio management, satisfaction, loyalty, and brand attitudes.

Characteristics of brand attitude, such as brand awareness, brand image, brand loyalty, and congruence with self-image, are thoughtfully discussed. The subsequent section explores influential factors on brand attitude, emphasizing brand attachment, brand knowledge, and self-congruity. This study underscores how these factors leave an indelible mark on consumer perceptions and behaviors, providing nuanced insights for marketers. The introduction of Halal branding as a distinctive genre aligned with Islamic principles is compelling. This article discusses the dimensions of Halal brands, including halal awareness, certification, marketing, brand personality, and the spiritual underpinnings of Islam. It astutely highlights the challenges in the Halal market, such as the lack of harmonization in standards. The unique aspects of Halal brands, including consumer risk aversion, emotional considerations, and the balancing of rationality and emotionality, are thoughtfully explored.

In fact, the emergence of “Halal brand attitude” and its significance in reflecting the influence of Islamic values on consumer choices has emerged. It emphasizes the critical importance of trust, quality, and market penetration for Halal brands and recognizes the distinctive features that resonate with Halal-conscious consumers. The article provides a comprehensive and insightful overview of attitudes, customer attitudes, brand attitudes, and the nuanced dynamics of Halal branding. It seamlessly integrates psychological and marketing perspectives, offering valuable insights into the complex interplay of factors shaping consumer perceptions and behaviors. Understanding the intricacies of the Halal brand attitude can empower marketers to develop more targeted and culturally sensitive strategies. This includes tailoring marketing messages, ensuring that Halal certifications are effectively communicated, and recognizing the significance of religiosity in consumer decision-making.

## Conclusion

The emergence of “Halal brand attitude” signifies a significant shift in consumer preferences within the dynamic realm of brand attitude. Across Muslim-majority markets, consumers increasingly seek brands that align with their faith and ethical principles. This departure from conventional paradigms demands that brands embrace the subtleties of Halal considerations, recognizing that product quality alone falls short in capturing consumer loyalty. Instead, brands must embody religious principles and transparency, which resonate deeply with the Halal-conscious consumer base.

**Table 2** Future research avenues in understanding Halal brand attitude

Future research avenues	Description
Cultural nuances and the global context	Investigate how cultural variations and diverse geographical settings influence the manifestation of Halal brand attitude and its impact on consumer behavior
Measurement and metrics	Develop comprehensive measurement tools that capture the intricate nature of the Halal brand attitude, integrating explicit and implicit evaluations
Cross-cultural perspectives	Explore how Halal brand attitude interacts with brands in multicultural contexts, where diverse value systems converge

The dimensions of “Halal brand attitude” encompass multiple layers, transcending preferences to embrace principles. It acknowledges the significance of catering to faith-based considerations. The fusion of brand perception, the cultural context, and religious values yields a multifaceted evaluation process. Consumers assess Halal brands not solely through marketing tactics but also through their alignment with religious guidelines and societal impacts. Evaluation metrics encompass brand image and perceived quality, which are—pivotal factors shaping Halal brand attitude and influencing purchase intentions. Moreover, the “Faith Factor” profoundly impacts attitudes toward Halal products, thus influencing purchase decisions and behaviors. The synergy of faith, product perception, and brand image collectively forms a comprehensive “Halal brand attitude”.

As the importance of the Halal brand attitude continues to rise, future research avenues emerge (Table 2).

In conclusion, the concept of Halal brand attitude exemplifies the intricate interplay of faith, preference, and ethical alignment. As brands navigate this evolving landscape, understanding its dimensions and implications becomes paramount for capturing the Muslim consumer segment and establishing a meaningful presence in the expanding Halal market.

## References

- Aaker, D. A. (1996). Measuring brand equity across products and markets. *California Management Review*, 38(3), 102–120.
- Absharina, Z. B., Yuriani, A. D., & Hendriana, E. (2021). The effectiveness of fashion influencers in influencing the purchase interest of millennial generation consumers in Indonesia. *Journal of Business and Management Studies*, 3(2), 152–161.
- Ahmadova, E., & Aliyev, K. (2021). Determinants of attitudes towards halal products: Empirical evidence from Azerbaijan. *Journal of Islamic Marketing*, 12(1), 55–69.
- Ahn, J., & Back, K. J. (2018). Beyond gambling: Mediating roles of brand experience and attitude. *International Journal of Contemporary Hospitality Management*, 30(10), 3026–3039.
- Ajzen, I. (2001). Nature and operation of attitudes. *Annual Review of Psychology*, 52(1), 27–58.

- Ali, A., Xiaoling, G., Sherwani, M., & Ali, A. (2018). Antecedents of consumers' halal brand purchase intention: An integrated approach. *Management Decision*, 56(4), 715–735.
- Alserhan, B. A., Zeqiri, J., Ramadani, V., & Dana, L. P. (2022). Halal industry: Threats and barriers. *Strategic Islamic marketing: A roadmap for engaging Muslim consumers* (pp. 7–10). Springer International Publishing.
- Aziz, Y. A., & Chok, N. V. (2013). The role of Halal awareness, halal certification, and marketing components in determining halal purchase intention among non-Muslims in Malaysia: A structural equation modeling approach. *Journal of International Food & Agribusiness Marketing*, 25(1), 1–23.
- Bakanauskas, A. P., Kondrotienė, E., & Puksas, A. (2020). The theoretical aspects of attitude formation factors and their impact on health behaviour. *Management of Organizations Systematic Research*, 83(1), 15–36.
- Batra, R., & Ahtola, O. T. (1991). Measuring the hedonic and utilitarian sources of consumer attitudes. *Marketing Letters*, 2, 159–170.
- Bergel, M., Frank, P., & Brock, C. (2019). The role of customer engagement facets on the formation of attitude, loyalty and price perception. *Journal of Services Marketing*, 33(7), 890–903.
- Budiarani, V. H., & Nugroho, S. S. (2022, October). Determining factors affecting Muslim customer purchase intention to shop skincare online: A study in Indonesia. In *Global Islamic marketing conference* (pp. 67–83). Springer Nature Singapore.
- Carvalho, P., Díaz-Méndez, M., Quero-Gervilla, M. J., & Saren, M. (2023). A conceptual approach to the tourist value co-creation: Dimensions, antecedents and consequences. *European Journal of Tourism Research*, 34, 3407.
- Choi, Y. (2009). Religion, religiosity, and South Korean consumer switching behaviors. *Journal of Consumer Behaviour*, 9(3), 157–171.
- Cialdini, R., Petty, R., & Cacioppo, J. (1981). Attitude and attitude change. *Annual Review of Psychology*, 32(1), 357–404.
- Clarita, N., Zimbalist, S., & Setiowati, R. (2020). Factors impacting customer attitude toward buying halal cosmetics in jabodetabek. *The Winners*, 21(1), 7.
- Dmour, H., & Sweidan, G. (2016). The effect of relationship marketing on customer loyalty in the Jordanian pharmaceutical industry. *الإدارة العربية المجلد*, 36(1), 513–536.
- Donio, J., Massari, P., & Passiante, G. (2006). Customer satisfaction and loyalty in a digital environment: An empirical test. *Journal of Consumer Marketing*, 23(7), 445–457.
- Farah, M. (2020). Consumer perception of halal products. *Journal of Islamic Marketing*, 12(2), 280–301.
- Fazio, R., & Williams, C. (1986). Attitude accessibility as a moderator of the attitude–perception and attitude–behavior relations: An investigation of the 1984 presidential election. *Journal of Personality and Social Psychology*, 51(3), 505–514.
- Fernando, Y., Wahyuni-TD, I., Abideen, A., & Mergeresa, F. (2022). Traceability technology, halal logistics brand and logistics performance: Religious beliefs and beyond. *Journal of Islamic Marketing*, 14(4), 1007–1031.
- Foroudi, P., Palazzo, M., & Sultana, A. (2021). Linking brand attitude to word-of-mouth and revisit intentions in the restaurant sector. *British Food Journal*, 123(13), 221–240.
- Fuchs, C., & Schreier, M. (2010). Customer empowerment in new product development\*. *Journal of Product Innovation Management*, 28(1), 17–32.
- Fuseini, A., Hadley, P., & Knowles, T. (2020). Halal food marketing: An evaluation of UK halal standards. *Journal of Islamic Marketing*, 12(5), 977–991.
- Garg, P., & Joshi, R. (2018). Purchase intention of “halal” brands in India: The mediating effect of attitude. *Journal of Islamic Marketing*, 9(3), 683–694.
- Ghorban, Z. (2012). Brand attitude, its antecedents and consequences. investigation into smartphone brands in Malaysia. *IOSR Journal of Business and Management*, 2(3), 31–35.
- Ha, N., & Lam, N. (2016). The effects of celebrity endorsement on customer's attitude toward brand and purchase intention. *International Journal of Economics and Finance*, 9(1), 64.

- Handriana, T., Yulianti, P., Kurniawati, M., Arina, N., Aisyah, R., Aryani, M., & Wandira, R. (2020). Purchase behavior of millennial female generation on halal cosmetic products. *Journal of Islamic Marketing*, 12(7), 1295–1315.
- Hidayati, N., & Sunaryo, H. (2021). The role of halal label to increase the effect of attitude toward halal product on brand image and purchase intention. *Ijebd (international Journal of Entrepreneurship and Business Development)*, 4(5), 744–752.
- Huang, Y., Yang, M., & Wang, Y. (2014). Effects of green brand on green purchase intention. *Marketing Intelligence & Planning*, 32(3), 250–268.
- Karpinski, A., Steinman, R., & Hilton, J. (2005). Attitude importance as a moderator of the relationship between implicit and explicit attitude measures. *Personality and Social Psychology Bulletin*, 31(7), 949–962.
- Keller, K. (1993). Conceptualizing, measuring, and managing customer-based brand equity. *Journal of Marketing*, 57(1), 1–22.
- Khan, G. (2022, October). Perceptions of halal: Students reflections from a field trip to a trade show. In *Global Islamic marketing conference* (pp. 85–94). Springer Nature Singapore.
- Kondrotienė, E., & Bakanauskas, A. (2021). The causal-consequential relationship between attitude formation and behaviour. *Regional Formation and Development Studies*, 68–80.
- Kumar, P. (2017). An examination of the antecedents of customer satisfaction, behavioral response and intentions among retail store formats. *International Journal of Research -Granthaalayah*, 5(1), 239–257.
- Lee, J., Lee, B., & Lee, W. (2018). The effects of country-of-origin fit on cross-border brand alliances. *Asia Pacific Journal of Marketing and Logistics*, 30(5), 1259–1276.
- Li, Y., & Nuangjamnong, C. (2022). Exploring the impact of social media marketing, customer attitude, and engagement within the quality of review and review valence on customer purchase intention in green cosmetic product in Chengdu, china. *The International Journal of Social Sciences and Humanities Invention*, 9(12), 7523–7546.
- Lili, Z., Mamun, A., Hayat, N., Salamah, A., Yang, Q., & Ali, M. (2022). Celebrity endorsement, brand equity, and green cosmetics purchase intention among chinese youth. *Frontiers in Psychology*, 13.
- Liu, F., Li, J., Mizerski, D., & Soh, H. (2012). Self-congruity, brand attitude, and brand loyalty: A study on luxury brands. *European Journal of Marketing*, 46(7/8), 922–937.
- Marmaya, N., Zakaria, Z., & Desa, M. (2019). Gen Y consumers' intention to purchase halal food in Malaysia: A PLS-SEM approach. *Journal of Islamic Marketing*, 10(3), 1003–1014.
- Mirkhah, S., & Karami, N. (2019). Investigating the impact of religious commitment on purchase of self-expressive brand products. *Journal of Islamic Marketing*, 11(2), 320–343.
- Muhamad, N., & Mizerski, D. (2010). The constructs mediating religions' influence on buyers and consumers. *Journal of Islamic Marketing*, 1(2), 124–135.
- Mukhtar, A., & Butt, M. (2012). Intention to choose halal products: The role of religiosity. *Journal of Islamic Marketing*, 3(2), 108–120.
- Noorliza, K. (2022). Managing halal food knowledge and innovation: Small and medium food enterprises' (SMFEs) performance. *Strategic Islamic marketing: A roadmap for engaging Muslim consumers* (pp. 125–137). Springer International Publishing.
- Noor, N. (2022). Halal service marketing: A strategic perspective. *Strategic Islamic marketing: A roadmap for engaging Muslim consumers* (pp. 11–29). Springer International Publishing.
- Park, C., MacInnis, D., Priester, J., Eisingerich, A., & Iacobucci, D. (2010). Brand attachment and brand attitude strength: Conceptual and empirical differentiation of two critical brand equity drivers. *Journal of Marketing*, 74(6), 1–17.
- Petty, R., Wegener, D., & Fabrigar, L. (1997). Attitudes and attitude change. *Annual Review of Psychology*, 48(1), 609–647.
- Pitt, C., Plangger, K., Botha, E., Kietzmann, J., & Pitt, L. (2019). How employees engage with b2b brands on social media: Word choice and verbal tone. *Industrial Marketing Management*, 81, 130–137.

- Rayasam, L., & Khattri, V. (2022). Social media influencer endorsement. *International Journal of Online Marketing*, 12(1), 1–14.
- Razali, K. A., & Othman, A. K. (2021). Enhancing brand awareness via halal brand personality. *Halalpsphere*, 1(1), 1–10.
- Roy, S., & Butaney, G. (2014). Customer's relative loyalty: An empirical examination. *Journal of Strategic Marketing*, 22(3), 206–221.
- Safeer, A., Zhou, Y., Abrar, M., & Luo, F. (2022). Consumer perceptions of brand localness and globalness in emerging markets: a cross-cultural context. *Frontiers in Psychology*, 13.
- Septiarni, D., Ratnasari, R., Salleh, M., Herianingrum, S., & Sedianingsih, S. (2022). Drivers of behavioral intention among non-Muslims toward halal cosmetics: Evidence from Indonesia, Malaysia, and Singapore. *Journal of Islamic Accounting and Business Research*, 14(2), 230–248.
- Suh, J., & Youjae, Y. (2006). When brand attitudes affect the customer satisfaction-loyalty relation: The moderating role of product involvement. *Journal of Consumer Psychology*, 16(2), 145–155.
- Tuhin, M., Miraz, M., Habib, M., & Alam, M. (2020). Strengthening consumers' halal buying behaviour: Role of attitude, religiosity and personal norm. *Journal of Islamic Marketing*, 13(3), 671–687.
- Wilson, J., & Liu, J. (2011). The challenges of Islamic branding: Navigating emotions and halal. *Journal of Islamic Marketing*, 2(1), 28–42.
- Wong, A., & Sohal, A. (2003). Service quality and customer loyalty perspectives on two levels of retail relationships. *Journal of Services Marketing*, 17(5), 495–513.
- Zainudin, M., Hasan, F., & Othman, A. (2019). Halal brand personality and brand loyalty among millennial modest fashion consumers in Malaysia. *Journal of Islamic Marketing*, 11(6), 1277–1293.

**Fitriani Tobing** is a lecturer at the Faculty of Business and Management, Universitas Medan Area. She is currently completing her doctoral program in the field of management science at Universitas Syiah Kuala. She graduated for her Master of Science from Universitas Padjadjaran and has been serving as a lecturer in management for 6 years. Her research area focuses on marketing management, and she is actively engaged in writing research articles and book chapters in the field of Islamic marketing. She has also participated in several international conferences in Malaysia.

**Muhammad Dharma Tuah Putra Nasution** completed his Bachelor's degree in Marketing Management at the University of Trisakti, followed by a Master's degree from the University of North Sumatera. Currently, he is in the final stages of completing his doctoral studies in Marketing at the same university. He has significantly impacted the marketing field through numerous research contributions, showcasing his dedication to academic excellence and cross-disciplinary influence. His expertise in marketing has enriched the understanding of this subject, evident in his extensive research portfolio. Continuously striving, he has solidified his status as a marketing research scholar at Universitas Pembangunan Panca Budi.

**Dwita Sakuntala** is a lecture in Management at Faculty of Economics, Universitas Prima Indonesia. She graduated for her doctoral of economics from Universitas Syiah Kuala and has been a lecturer for more than 8 years. Her research field is in green and Islamic finance; macroeconomics; monetary economics and finance; and Islamic economics.

**Muhammad Rizal** is a senior lecturer in the Faculty of Economics at Universitas Samudra Indonesia. In 1999, he completed his undergraduate studies (S1) at the Faculty of Economics, Universitas Syiah Kuala, Indonesia. He further pursued his academic journey by obtaining a Master's degree in Management (S2) in 2002 from the Master of Management program at the Faculty of Economics, Universitas Gadjah Mada, Indonesia. As of 2023, he is actively engaged



in doctoral studies in the Doctoral Program in Management Sciences at Universitas Syiah Kuala, Indonesia. His research interests cover a wide range of areas, including financial management, behavioral finance, Islamic financial economics, and Islamic marketing.

**Hery Syahril** is an assistant professor at the Faculty of Business and Management, Universitas Medan Area. He earned his Master of Science degree from Universitas Sumatera Utara and has been a lecturer for over 20 years in the field of management. With extensive experience in academic affairs, he served as the deputy dean for Academic affairs at the Faculty of Business and Management for approximately 16 years. His research primarily focuses on human resource management, and he is currently engaged in writing research articles and contributing to book chapters in this field. Additionally, he has actively participated in various international conferences held in Malaysia, Turkey, Macedonia, and other locations.

**Dr. Ahmad Rafiki** is an associate professor in the Faculty of Economics and Business at Universitas Medan Area, Indonesia. His academic journey includes a BBA degree in marketing from MARA University of Technology, a Masters in Management from the International Islamic University of Malaysia, and a Doctor of Philosophy from the Islamic Science University of Malaysia in March 2014. Renowned for his contributions to the field, he has authored numerous chapters and books, along with articles covering Islamic management, entrepreneurship, SMEs, leadership, and the halal industry. His work has been published by esteemed international publishers, such as IBA-MacMillan, IGI Global, Emerald Publishing, Springer, and Routledge. Additionally, he plays a significant role as an editorial advisory board member and reviewer for reputable publishers like Emerald and Elsevier. Notably, he was recognized as the outstanding reviewer of the Literati Awards 2020 by Emerald Publishing.

# Exploring Customer Loyalty in Islamic Traditional Markets: Insights from Relationship Marketing and Experiential Marketing Theories



Mariam Mekkaoui Alaoui and Laila Ouhna

**Abstract** The Islamic traditional market, a traditional public space in Islamic cities, has always been a vital component of urban life, largely revolving around commercial activities, but it goes beyond this as it also serves as an important forum for political, cultural, social, and religious communication (Bin Lahuri et al., The development of traditional market by the government of special region of Yogyakarta in Islamic economics perspective, 2021. 10.13140/RG.2.2.19823.15520). This research explores the complex relationship between traditional markets and customer loyalty using qualitative research techniques that draw insights from relationship marketing theory (RMT) and experiential marketing theory (EMT). By summarizing the principles and strategies derived from these theories, this study provides a comprehensive understanding of how traditional markets strategically build customer loyalty, following a rigorous search, resulting in the selection of a portfolio of 48 articles from scientific databases. Nvivo 12 was used to collect and analyze the data. Qualitative analysis based on EMT shows how important personalized interactions, building trust, and mutual value creation are to maintaining long-term customer relationships. This understanding forms the basis for comprehending the fundamentals of customer retention in traditional market conditions. His qualitative assessment of EMT based on RMT highlights the importance of creating memorable and engaging experiences for your customers. By creating unique sensory, emotional, and cognitive experiences, traditional markets can create emotional connections and strengthen customer loyalty. These experience elements play a central role in shaping customer perception and building loyalty. Based on qualitative insights, this article describes how traditional markets are integrating relationship-building activities and experiential marketing strategies to create a holistic approach to fostering loyalty. It highlights the challenges and opportunities associated with implementing these theories in a rapidly changing market environment. The implications of this theoretical article are

---

M. M. Alaoui (✉) · L. Ouhna  
EREGO, Ibn Zohr University, Agadir, Morocco  
e-mail: [m.mekkaoui-aloui@uiz.ac.ma](mailto:m.mekkaoui-aloui@uiz.ac.ma)

L. Ouhna  
e-mail: [l.ouhna@uiz.ac.ma](mailto:l.ouhna@uiz.ac.ma)

based on qualitative information and offer practical advice for traditional markets to build customer loyalty. By employing relationship-building techniques and experiential marketing strategies, businesses can build lasting and meaningful relationships with their customers, driving loyalty, repeat purchase behavior, and positive word of mouth. This paper highlights the need for future research in this area, especially the exploration of new technologies and changing consumer preferences. By incorporating qualitative techniques, researchers gain new insights and gain a deeper understanding of the dynamic interplay between traditional markets and customer engagement.

**Keywords** Islamic traditional market · Loyalty · Word of mouth · Qualitative research

## Introduction

In actual competitive business environment, customer loyalty plays an essential role in the long-term success of any business. Islamic traditional markets, characterized by face-to-face interactions and physical stores, continue to be a keyway for companies to acquire and retain customers (Rahadi, 2012). But with the emergence of new technologies and the evolution of consumer behavior, the interactions between traditional markets and loyalty are becoming more dynamic and complex.

Islamic traditional markets, also known as “Islamic souks,” are found in Islamic cities and are especially used to refer to certain souk varieties that share comparable traits and features (Awad, 1989). Such souks either originated or formed into their shape throughout the Islamic era, when religion had an enormous influence on every area of society. In addition to serving as important centers for commerce, souks also promote social interaction and communal life (Kania & Kałaska, 2019). They are typically located adjacent to or in the general area of the Friday Mosque. As a result, while the Friday Mosque is thought of as the Islamic city’s heart, the souk can be thought of as its backbone. Islamic cities are distinguished from other cities by this long-standing institution, which symbolizes a particular urban design aspect that is unique to them (Awad, 1989).

The objective of this article is to draw lessons from his two major marketing theories, relationship marketing and experience marketing, and to examine the complex relationship between traditional markets and customer loyalty. Examining the principles and strategies suggested in these theories will help companies better understand how to effectively manage traditional market conditions while promoting strong customer loyalty. Relationship marketing emphasizes the importance of establishing and maintaining long-term relationships with customers. The focus is on personalized interactions, building trust, and creating mutual value. By adopting the principles of relationship marketing, companies can increase customer satisfaction, increase customer loyalty, and strengthen customer loyalty by promoting word of mouth. In

addition, the establishment of strong customer relationships increases the lifetime value of customers and guarantees sustainable growth of the company.

At the same time, experiential marketing recognizes the power of creating unique and immersive experiences for customers (Bataat, 2020). It is a holistic approach that integrates sensory, emotional, cognitive, and behavioral elements to engage clients on a deeper level. By designing memorable and emotionally engaging experiences (Schmitt & Zarantonello, 2013), companies can increase customer satisfaction, create strong emotional bonds, and differentiate themselves from their competitors. Such experiential marketing efforts can generate positive customer perceptions, strengthen brand loyalty and, ultimately, lead to customer loyalty (Sweeney & Swait, 2008).

In Morocco, traditional trade is a characteristic trait of distribution despite the evolution of modern trade. In fact, traditional trade occupies a particular place in distribution in Morocco, and it is a dominant model in the commercial landscape (Gallouj, 2021). The Moroccan souks have maintained their vitality despite the stiff competition from modern markets, Morocco has 197 urban markets, and most of them dating from the French protectorate (1912–1956). They operate in a similar way to rural souks, in that goods vary, and information is difficult to obtain.

This article examines the key aspects of the interaction between traditional markets and customer loyalty and how the theory of relational and experiential marketing can help companies looking to grow in this dynamic environment. In addition, we recognize the limitations and potential challenges that organizations may face in applying these theories and emphasize the need to adapt them to different sectors, markets, and consumer preferences. By understanding and harnessing the power of relationships and experiential marketing, companies can effectively navigate traditional markets while fostering long-term customer loyalty. The purpose of this article is to provide a comprehensive analysis of this dynamic interaction, providing information and practical recommendations to help companies create a sustainable competitive advantage in an ever-changing market.

## **Literature Review (Theoretical Background)**

### ***Relationship Marketing and Experiential Marketing***

#### **Relationship Marketing**

Relationship marketing plays a crucial role in building consumer loyalty to traditional markets. Gronroos (1990, p. 5) provides the following rephrased definition of relationship marketing: “Relationship marketing is to establish, maintain, and enhance relationships with customers and other partners, at a profit, so that the objectives of the parties involved are met. This is achieved by a mutual exchange and fulfillment of promises” (Gilaninia et al., 2011). According to this theory, traditional markets can

develop strong relationships with their customers by emphasizing personalization and continuous communication. By offering individualized interactions and establishing an open dialogue, traditional markets create a unique experience for each consumer. For example, a traditional neighborhood market can know its regular customers and anticipate their needs, thus offering them a personalized and attentive service (Heskett, 1990). This emotional connection and this particular attention contribute to strengthening the loyalty of consumers, who feel appreciated and valued as individuals.

Relationship marketing occupies a prominent place in the understanding of consumer loyalty to traditional markets (Peterson, 1995). In the context of traditional markets, this theory emphasizes the establishment of strong and lasting relationships with customers. Traditional markets have the advantage of being able to create a warm and familiar atmosphere, where sellers and customers can interact in a personal way (Suryadarma et al., 2007). For example, a traditional neighborhood market where merchants know regular customers and call them by name creates a sense of belonging and proximity. By establishing these close links, traditional markets manage to build mutual trust, strengthen customer satisfaction, and promote their loyalty (Gilaninia et al., 2011).

### **Experiential Marketing**

The theory of experiential marketing offers an additional conceptual framework for understanding how traditional markets can stimulate consumer loyalty (Schmitt & Zarantonello, 2013). Traditional markets have the opportunity to create multisensory and engaging experiences for their customers. For example, a traditional open-air market can offer a lively atmosphere, where consumers can interact with the vendors, smell the enticing aromas of fresh produce, see the vibrant colors of the stalls, and hear the joyful sounds of the surrounding activity. These immersive experiences stimulate consumers' senses and create positive memories that strengthen their emotional attachment to traditional markets. Therefore, consumers are more inclined to return regularly and recommend these markets to those around them.

### **Mix of the Two Theories**

The combination of relationship marketing and experiential marketing is essential to maximize consumer loyalty to traditional markets (Yuan & Wu, 2008). By understanding the individual needs and preferences of customers through a relational approach, traditional markets can design unique and personalized experiences that arouse emotion and engagement (Schmitt & Zarantonello, 2013). For example, a traditional market can organize special events such as cooking demonstrations, live concerts, or activities for children to create interactive and entertaining experiences

for visitors. By combining these memorable experiences with continuous communication and a relationship of trust, traditional markets can consolidate consumer loyalty in the long term (Rudawska, 2014).

## ***Definitions***

### **Loyalty**

Loyalty is a concept deeply rooted in relationships and interactions. It is a powerful force that drives individuals to demonstrate unwavering support, dedication, and dedication to an individual, organization, or cause. From personal friendships to business partnerships, loyalty is the foundation that fosters trust, reliability, and mutual understanding. In a competitive, opportunistic, and ever-changing world, understanding the nature of loyalty has become increasingly important (Datta, 2017).

At this point, we will discover the most important definitions of loyalty according to different authors in different contexts to explore this notion and understand its real meaning from more than one point of view (Table 1).

### **Traditional Markets**

At this point, we will examine the various definitions of traditional markets; we will gain valuable insights into understanding of the traditional markets through the principal authors in the theory (Table 2).

## ***Relationship Between Loyalty and Traditional Market***

Ajzen and Fishbein (1975) suggest that beliefs develop emerge via a person's life as a result of their experiences with various objects, actions, and events. Beliefs are established through observation or inferences, and some last throughout time while others are forgotten (Ishak & Ghani, 2013). In 1994, Dick and Basu established a conceptual framework to differentiate between various types of loyalty and identify the driver of loyalty (Ishak & Ghani, 2013).

Ayuni et al. (2018) found that essential components such as social contact, customer experience, and product quality have a significant impact on customer loyalty and satisfaction. Thus, government organizations and traditional market sellers should prioritize these criteria to increase consumer satisfaction and loyalty. Therefore, the importance of customer experience and social interaction with retailers in influencing consumer loyalty and satisfaction is widely recognized. However, customer satisfaction and loyalty are unaffected by the accessibility of a traditional market.

**Table 1** Definitions of loyalty

Authors	Definitions
Wallin Andreassen and Lindestad (1998)	Customer loyalty means an intended behavior toward services or a company, and this includes the likelihood of future renewal of service contracts, customer patronage, and providing positive word of mouth
Leckie et al. (2017)	Oliver (1997, p. 392) defined customer loyalty as “a deeply held commitment to rebuy or repatronize a preferred product or service consistently in the future, despite situational influences and marketing efforts having the potential to cause switching behavior”
Gremler and Brown (1996), Xuan (2020)	Service loyalty is the degree to which a customer exhibits repeat purchasing behavior from a service provider, possesses a positive attitudinal disposition toward the provider and considers using only this provider when a need for this service arises
Yuen and Chan (2010)	“Loyalty is an attitude; it refers to positive feelings toward a brand in addition to repurchasing time after time.” (Day, 1969)
Atulkar and Kesari (2017)	Dick and Basu (1994) define loyalty as “The relationship between the customers’ attitude toward an entity and their patronage behavior”
Ayuni et al. (2018)	Customer’s loyalty is one of the marketing goals; the increasing of customer’s loyalty is believed to have big impact on company’s image and revenue. Customer’s loyalty is described as customer behavior to repurchase a product (Jacoby & Kyner, 1973).
Ayuni et al. (2018)	Kotler and Armstrong (2010) defined that loyalty is a commitment of a customer to repurchase and support a product in the future. This commitment makes customers tend to ignore any advertisement from competitors and give a good description about the product to someone else
Molinillo et al. (2022)	Customer loyalty can be understood as favorable behavior toward a company, evidenced through a customer’s likeliness to do repeat business with a given retailer, a preference toward a certain brand and word-of-mouth advocacy (Zeithaml et al., 1996)

Source Authors

According to Andriani and Ali (2013), traditional markets depend on social capital, including norms, beliefs, and bargaining, to maintain a loyal customer base (Aliyah et al., 2020). Additionally, traditional markets often sell unique local crafts that are hard to find elsewhere, helping to create a sense of exclusivity and connection among shoppers. A combination of personal relationships, trust, and unique products from traditional markets serves as the foundation to build customer loyalty and generate repeat business (Grönroos, 1997).

In addition to personal connections and unique products, traditional markets also play an important role in preserving cultural heritage and fostering a sense of community. According to a study by (Prihatminingtyas, 2017), from a cultural perspective, a traditional market is a public space where social interactions take place rather than simply buying and leaving. These markets often serve as gathering places for locals to

**Table 2** Definitions of traditional market

Authors	Definitions
Ustriyana (2016)	A traditional market is a market that can accommodate a lot of sellers with simple management and is usually for the middle- and lower-class population, which operates from dawn until afternoon, or even evening
Udjianto et al. (2021)	Traditional markets are direct buyer–seller transactions with the bargaining process. Most of them sell daily necessities such as food ingredients in vegetables, fruit, meat, fish, eggs, food, clothing, household utensils, and other necessities. In a retail business, such as in traditional markets, retaining customers is the main thing (Udjianto et al., 2021)
Rahadi and Prabowo (2015)	Traditional markets or pasar tradisional are places where consumers can buy daily necessities ranging from foodstuff, fabrics, and garments to small household items generally through bargaining process with cash as a common payment method
Park and Chung (2016)	Traditional markets are normally located on the center of cities and perform not only the functions of markets but also regional economic, cultural, and social functions. Traditional markets are heartwarming places where people can encounter neighbors and agricultural products of regional farmers. For small merchants, traditional markets are places where all kinds of products are sold or bartered (Kim, 2013)
Wirza et al. (2020)	According to (Sadilah, 2011) “traditional market are an outdoors place, which process of buying and selling with bargaining process. Traditional market has characteristics that place is not too extensive, the goods sold are not too many kinds, the management system is still simple, does not offer the convenience of shopping. There is still haggling prices with merchants, products are sold not on display are open so that customers do not determine whether the retailer has the items sought or not”
Aliyah et al. (2016)	Traditional markets function not only as a selling buying place but also a life conception and socio-culture interaction (Pamardhi, 1997)
Aliyah et al. (2020)	According to (Andriani & Ali, 2013), “Traditional markets can be figured out that the existence of traditional markets lies on social factors including norms, beliefs, and bargain which can strengthen loyal network of market visitors to keep shopping in traditional markets”

(continued)



**Table 2** (continued)

Authors	Definitions
Aliyah et al. (2017), Anifowose and UDOMA (2022)	The understanding of traditional markets packaged in modern atmosphere as shown in Dongdaemun Korea orientates not only as a commercial place but also a part of the realization of sellers' organization and social order forms of market users forming social structure accumulated from time to time into social strength (Kim et al., 2004)
Boulaksil et al. (2019)	According to Kabbassi (2007), "Traditional retail in Morocco takes mainly two forms: souks and nanostores. Souks are weekly open-air markets in mostly rural areas where fresh fruits, vegetables, and animals are traded. The products can be sold directly by the farmers, such as in farmers' markets, or by intermediary brokers or traders. Out of the 1151 souks in Morocco, 954 are located in rural areas and only 197 in urban areas" (Boulaksil et al., 2019)

*Source* Authors

shop, socialize, and participate in cultural activities. This sense of community creates a common identity and sense of belonging among customers, further strengthening their loyalty to the market and its suppliers. In addition, traditional markets often host festivals, events, and traditional craft demonstrations, giving shoppers the opportunity to experience the rich local culture. These immersive experiences strengthen the emotional connection between customers and traditional markets, build customer loyalty, and inspire customers to become ambassadors to promote the market on their social networks (Rosenbaum et al., 2005).

Another aspect that influences loyalty in traditional markets is the personalized shopping experience offered there (Lin & Wang, 2006). In contrast to large retail chains and online platforms, traditional markets often emphasize personal service and personalized support. Traditional vendors in the market spend time understanding customer preferences, making recommendations, and even memorizing specific customer preferences and requirements (Mueller Loose et al., 2013). In fact, traditional markets exhibit human characteristics that promote a sense of closeness and kinship between vendors and purchasers. Indeed Rahadi (2012) suggests that service quality and consumer identification factors are important variables in driving repeat purchases in traditional markets. A special feature of traditional markets is the friendly and familiar relationship between sellers and buyers (Aliyah et al., 2016).

This level of personalized service gives customers a sense of value and importance, making them feel valued and understood. Research shows that personalized experiences have a significant impact on customer retention, as customers perceive personalized experiences as a form of caring and appreciation. A personal touch to a traditional marketplace fosters a strong emotional connection, inspires customers to come back again and again, and builds loyalty to marketplaces and vendors that deliver such personalized experiences (Rane et al., 2023).

Based on previous studies, Dick and Basu (1994) proposed the attitudinal loyalty concept where attitude includes the behavioral and attitudinal typologies. Their

loyalty construct distinguishes loyalty into true loyal or just merely variety seekers (Ishak & Ghani, 2013).

### Studied Contexts

The research done from 2013 to 2023 observed several settings. Over fifty percent of the study (69%) is carried out in Indonesia, a country with an increasing interest in traditional markets and whose academics place a high value on knowing how traditional distribution works. This demonstrates the growing value Indonesian researchers place on comprehending traditional distribution methods and market dynamics.

With 14% of the studies done in this area, Morocco comes in second place. This shows that Morocco has likewise acknowledged the value of traditional markets and granted them extensive research and understanding.

The results show that traditional markets are valued and relevant in both Indonesia and Morocco's settings, which has led to a greater emphasis on research in this field (Fig. 1).

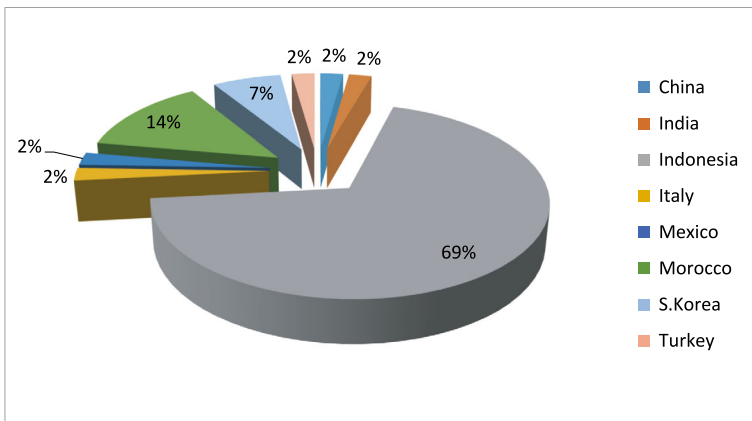


Fig. 1 Number of searches by country. Source Authors

## Method and Materials

A crucial step in academic research is the literature review, which allows scholars to gather current knowledge and analyze the state of their field (Cropanzano, 2009; Kunisch et al., 2018). For researcher, the literature review is the key for discovering and synthesizing previous findings, summarizing, classifying, and questioning existing knowledge.

Our research consists of a review of the scientific literature; it is based on theoretical documents and descriptive-explanatory studies of the most relevant scientific articles.

During our article, we have used the PRISMA protocol (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) (Liberati et al., 2009) adapted to our study by searching and identifying 48 published articles using the keywords: Traditional markets and loyalty.

By applying a filter based on only articles published in Scopus, Web of Science, JSTOR, and Google Scholar databases. Some of the most prestigious sources are available (Fortunato et al., 2018; Wang et al., 2016). And selecting only journal articles between 2013 and 2023 to use only recent results, and for having more credible results, we have selected articles that used qualitative and quantitative methods (Figs. 2, 3 and 4; Table 3).

To gain a deeper understanding of our research subject, we focused on English and French papers. However, a chapter in the book, editorials and comments have been discarded. Search terms are: “traditional market,” “loyalty,” and “souk.” And we have been more interested into journal articles (Table 3).

Two software programs, Nvivo Plus (version 12 Plus) and Zotero (version 6.0.26), were used to regroup and analyze items. The goal is to create a taxonomy matrix that groups articles by subheadings: author name, year of publication, review of publication, purpose of research, and methodology (qualitative, quantitative, or mixed), methods (data collection approaches, analysis methods, etc).

## Results and Discussion

### *Description and Analysis of Identified and Selected Studies*

Our study focused on a total of 84 articles but after excluding duplicate articles and articles that did not meet the inclusion criteria, only 11 articles were identified to analysis in our study and doing a systematic analysis to get the following results in our paper.





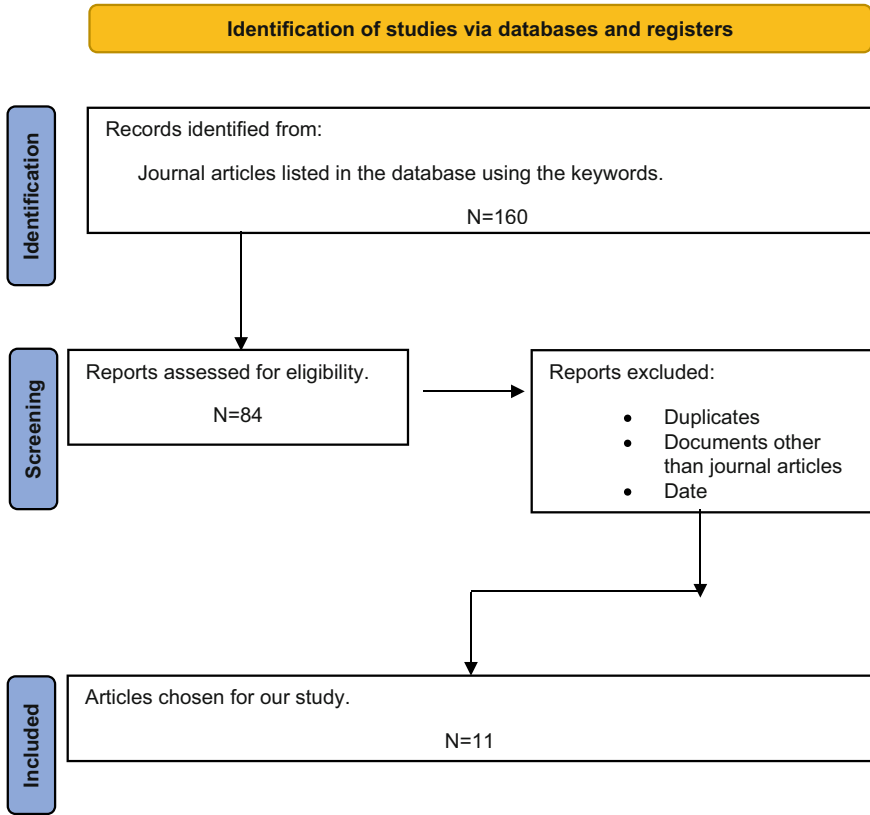


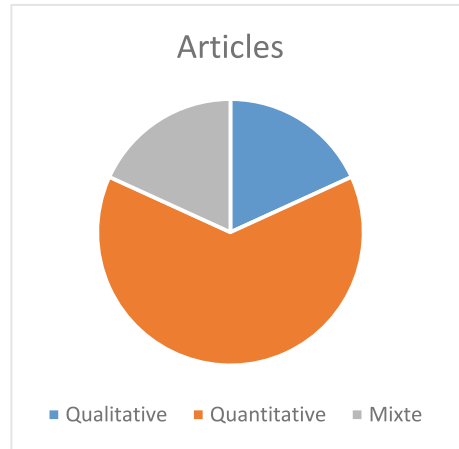
Fig. 4 PRISMA flowchart. Source Authors

Table 3 Definition of inclusion and exclusion criteria

Inclusion criteria	Exclusion criteria
Articles exploring the correlation between the “traditional market,” “souk,” and “loyalty” through diverse combinations	Types of documents other than newspaper articles, magazine articles, or reviews
	Language other than French and English
	Duplicate articles
	Articles not directly related to the research topic (off-topic research)

Source Authors

**Fig. 5** Distribution of research by type of approach. *Source* Authors



## Conclusion and Limits

The dynamic interaction between traditional markets and customer loyalty is a complex and multifaceted relationship best understood through the prism of relationship marketing and empirical marketing theory. This article examines various aspects of this interaction and provides valuable information on how companies can use these theories to retain their customers in traditional markets.

Relationship marketing emphasizes the importance of establishing and maintaining long-term relationships with customers through personalized interactions, building trust, and creating mutual value. One of the main ideas behind relationship marketing is that customers are not just one-off buyers, but long-term partners. This means that it is essential to develop an in-depth understanding of customers' needs, preferences, and behaviors. By understanding their expectations and personalizing interactions accordingly, companies can strengthen the relationship with each individual customer. By adopting the principles of relationship marketing, companies can improve customer loyalty by focusing on customer satisfaction, loyalty, and advocacy.

In addition, building strong customer relationships leads to positive word of mouth and an increase in the lifetime value of customers. Experiential marketing, on the other hand, recognizes the importance of creating memorable and immersive experiences for your customers. By designing unique and engaging experiences, companies can increase customer satisfaction, engagement, and loyalty. By incorporating sensory, emotional, cognitive, and behavioral elements into experiential marketing, you can create positive customer perceptions, strengthen your brand image, and differentiate yourself from your competitors.

Relationship marketing and empirical marketing theory provide a valuable framework for understanding the interaction between traditional markets and customer loyalty, but it is important to recognize their limitations and potential challenges.

**Table 4** Analysis between articles chosen

Title	Authors	Publication year	Keywords	Objects	Research methodology	Theoretical background	Mains ideas
The roles of traditional markets as the main component of Javanese culture urban space (Aliyah et al., 2016)	Aliyah et al. (2016)	2016	Traditional market, the traditional city of Java, the city of Surakarta Indonesia, component of Javanese Culture Urban Space (Aliyah et al., 2016)	This research focuses on Surakarta as the chosen location for the case study to find out the relationship between the items selected (Aliyah et al., 2016)	Qualitative research: purposive sampling	<ul style="list-style-type: none"> <li>Central place theory by Christaller</li> <li>Relationship marketing theory</li> </ul>	“The existence of traditional market in urban space occupies adjacent location and even does not consider the distance between markets”
Spatial variety and distribution of traditional markets in surakarta as potential factors in improving spatial-based management (Aliyah et al., 2017)	Aliyah et al. (2017)	2017	Mapping, traditional market, spatial variety and distribution of traditional market, spatial-based management (Aliyah et al., 2017)	The purpose of the study is to explore the psychological motivations of customer loyalty and explore the underlying factors that influence customer behavior in offline retail environments (Aliyah et al., 2017)	Quantitative research: using a survey and a total of 422 questionnaires were distributed to respondents who visited an experience-based shopping mall in Seoul, Korea, in the last six months (Aliyah et al., 2017)	<ul style="list-style-type: none"> <li>The experience economy theory</li> <li>Self-determination theory</li> <li>Experiential marketing theory</li> </ul>	“An experiential retail environment provides psychological benefits to customers who enjoy the experience of visiting a retail store. During the shopping experience, customers are motivated to seek customer engagement.”

(continued)



**Table 4** (continued)

Title	Authors	Publication year	Keywords	Objects	Research methodology	Theoretical background	Mains ideas
Effects of experimental motivation and customer engagement on customer value creation: analysis of psychological process in the experience-based retail environment (An & Han, 2020)	An and Han (2020)	2020	Customer engagement, social interaction, experiential motivation, value creation (An & Han, 2020)	Analyze purchasing decisions based on six items: price, location, trust, comfort, product quality, service quality (An & Han, 2020)	Quantitative research, a survey involving 180 respondents	<ul style="list-style-type: none"> <li>• Planned behavior theory</li> <li>• Relationship marketing theory</li> </ul>	<p>“Location influences consumer purchasing decisions in this study. In line with Suprianto (2014) and Harahap (2017), which states that location influences the purchase of houses in Bukit Mutiara Jaya Semarang Housing in addition to other factors, namely price and product design. A total of 86 respondents were examined who are buyers and residents of the house in the housing. They advise developers to pay attention to facilities and infrastructure at locations, such as strategic locations, clean water, and transportation”</p>

(continued)

**Table 4** (continued)

Title	Authors	Publication year	Keywords	Objects	Research methodology	Theoretical background	Mains ideas
Consumer decision to buy vegetables at traditional markets in Medan, Indonesia (Agustini et al., 2020)	Agustini et al. (2020)	2020	Buying decision, convenience, location, price, product quality, service quality, trust	Analyze purchasing decisions, namely price, location, trust, comfort, product quality, service quality (Agustini et al., 2020)	Questionnaire was distributed as a tool to collect research data and then analyzed by the method of multiple linear regression analysis (Agustini et al., 2020)	<ul style="list-style-type: none"> <li>Planned behavior theory</li> <li>Relationship marketing theory</li> <li>Experiential marketing theory</li> </ul>	“The result of this study showed that the price, location, and also the consumer confidence in marketers influence consumer purchasing decisions.”
Strategy for increasing traditional market competitiveness in dealing with the presence of modern market (Bakhri, 2017)	Bakhri (2017)	2017	Traditional market competitiveness, local government support, market management, finance, traditional market traders	Analyze the strategy for increasing traditional market competitiveness in dealing with the presence of modern market in Cirebon Regency (Bakhri, 2017)	Mixed methods	<ul style="list-style-type: none"> <li>Self-determination theory</li> <li>Experiential marketing theory</li> </ul>	“The analysis result of traditional and modern market buyer perception indicated the majority of respondents answered that the main reason to purchase in either traditional market or modern market was because the market distance was close to their home.”

(continued)

Table 4 (continued)

Title	Authors	Publication year	Keywords	Objects	Research methodology	Theoretical background	Mains ideas
Improving traditional market customer loyalty (revisit consumer behavior model using consumer experience)	Ayuni et al. (2018)	2018	Experience quality, perceived value, visitor's satisfaction, customer's loyalty		Quantitative: the data for the second phase was collected by questionnaire on 250 traditional market's customers (Ayuni et al., 2018)	<ul style="list-style-type: none"> <li>Relationship marketing theory</li> <li>Experiential marketing theory</li> </ul>	"This study found there are seven indicators that could construct the experience quality of traditional market's customer; however, the experience quality is found to have no significant effect toward customer loyalty"
Factors shaping the Image of Badung traditional market in Denpasar City, Bali Province (Ustriyana, 2016)	Ustriyana (2016)	2016	Market image, traditional market, factor analysis	Identify the factors that form the image of Badung traditional market in Denpasar City, Bali Province, among six main dimensions forming the market image (Ustriyana, 2016)	Quantitative: The sampling technique used in this study was a nonprobability sampling technique (Ustriyana, 2016)	<ul style="list-style-type: none"> <li>Relationship marketing theory</li> <li>Experiential marketing theory</li> </ul>	"There are six factors forming the image of Badung traditional market, namely price, service, quality, physical environment, location, and variety of goods. Service factor, followed by the location factor, has the most dominant loading value in shaping the image of the traditional market. Both of these factors are the dominant factors that form the image of the traditional market"

(continued)

**Table 4** (continued)

Title	Authors	Publication year	Keywords	Objects	Research methodology	Theoretical background	Mains ideas
Comparative Analysis of Strategy Traditional Market and Modern Markets of Consumer Valuation (Yusmalina et al., 2021)	Yusmalina et al. (2021)	2021	Traditional, market, consumer, strategy, revenue	Compare and analysis the traditional market and modern markets of consumer valuation based on 20 respondents	Quantitative analysis method	<ul style="list-style-type: none"> <li>Relationship marketing theory</li> <li>Experiential marketing theory</li> </ul>	“There is a difference between the traditional market and the modern market in terms of price, product, location, and marketing”
Encouraging traditional market through customer satisfaction	Udjianto et al. (2021)	2021	Village market, consumer satisfaction index, logistics model	This article analyzes consumer satisfaction at Kembanghari Market, Srimartani Village, Bantul Regency, and the factors that influence satisfaction using a logistic regression model (Udjianto et al., 2021)	Quantitative research: data was collected through questionnaires to 100 respondents	<ul style="list-style-type: none"> <li>Relationship marketing theory</li> <li>Experiential marketing theory</li> </ul>	“The factors that affect the level of consumer satisfaction are accessibility factors, product quality, and guarantees”

(continued)

Table 4 (continued)

Title	Authors	Publication year	Keywords	Objects	Research methodology	Theoretical background	Mains ideas
Consumer behavior analysis in purchase of freshwater fish in Bandung City (case study in the traditional market of Kosambi) (Rotuauli et al., 2020)	Rotuauli et al. (2020)	2020	Behavior, consumer, correlation, freshwater fish	Analyze the relationship of factors that influence consumer behavior in the purchase decision of freshwater fish in Kosambi Traditional Market (Rotuauli et al., 2020)	Quantitative research: Accidental sampling method with 100 respondents (Rotuauli et al., 2020)	<ul style="list-style-type: none"> <li>Consumer behavior theory</li> <li>Relationship marketing theory</li> </ul>	<p>“Personal factors have a real and positive relationship to consumer purchasing. The consumers of freshwater fish in Kosambi Market based on gender are mostly women. Based on the age, most consumers are in the age group 42–48 years. Based on education, the majority of consumers are high school graduates. Based on work, most Kosambi Market consumers work as housewives.”</p>
Antecedents of Satisfaction and Their Impact on Community Loyalty in Traditional Markets in Bali (Nurcaya, 2021)	Nurcaya (2021)	2021	Service quality, product quality, satisfaction, loyalty	This study aims to explain the effect of service quality and product quality on community loyalty to traditional markets in Bali which are mediated by satisfaction (Nurcaya, 2021)	Quantitative research: data collection using questionnaires and observations	<ul style="list-style-type: none"> <li>Relationship marketing theory</li> <li>Self-determination theory</li> <li>Experiential marketing theory</li> </ul>	<p>“Traditional market customers will give high confidence in the existence of traditional markets if they get good service. Traditional market customer satisfaction can also be built by improving the quality of products sold in traditional markets”</p>

Source: Authors

## References

- Agustini, F., Amanah, D., & Harahap, D. (2020). Consumer decision to buy vegetables at traditional markets in Medan, Indonesia. *American International Journal of Business Management (AIJBM)*, 3, 109–123.
- Ajzen, I., & Fishbein, M. (1975). A Bayesian analysis of attribution processes. *Psychological Bulletin*, 82(2), 261–277. <https://doi.org/10.1037/h0076477>
- Aliyah, I., Setioko, B., & Pradoto, W. (2016). The roles of traditional markets as the main component of Javanese culture urban space (Case study: The City of Surakarta, Indonesia). *IAFOR Journal of Sustainability, Energy & the Environment*, 3. <https://doi.org/10.22492/ijsee.3.1.06>
- Aliyah, I., Setioko, B., & Pradoto, W. (2017). Spatial variety and distribution of traditional markets in Surakarta as potential factors in improving spatial-based management. *Geoplanning: Journal of Geomatics and Planning*, 4, 63. <https://doi.org/10.14710/geoplanning.4.1.63-74>
- Aliyah, I., Yudana, G., & Sugiarti, R. (2020). Model of traditional market as cultural product outlet and tourism destination in current era. *Journal of Architecture and Urbanism*, 44(1), 88–96. <https://doi.org/10.3846/jau.2020.11440>
- An, M., & Han, S.-L. (2020). Effects of experiential motivation and customer engagement on customer value creation: Analysis of psychological process in the experience-based retail environment. *Journal of Business Research*, 120, 389–397. <https://doi.org/10.1016/j.jbusres.2020.02.044>
- Andriani, M. N., & Ali, M. M. (2013). Analysis of traditional market existence in Surakarta. *Journal of Regional and Urban Planning of Diponegoro University*, 2(2), 252–269. Scopus.
- Anifowose, T., & UDOMA. (2022). Cultural value transformation in sapon traditional market spatial planning in Oke-Ona, Abeokuta (Vol. 9, no. 3, pp. 529–539).
- Atulkar, S., & Kesari, B. (2017). Satisfaction, loyalty and repatronage intentions: Role of hedonic shopping values. *Journal of Retailing and Consumer Services*, 39, 23–34. <https://doi.org/10.1016/j.jretconser.2017.06.013>
- Awad, J. A. (1989). *Islamic souqs (bazaars) in the urban context: The Souq of Nablus*. Kansas State University. <http://archive.org/details/islamicouqsislamicouqs/baza00awad>
- Ayuni, R. F., Hussein, A. S., & Hapsari, R. (2018). Improving traditional market customer loyalty (revisit consumer behaviour model using consumer experience). *The International Journal of Accounting and Business Society*, 26(1), Article 1. <https://doi.org/10.21776/ub.ijabs.2018.26.1.2>
- Bakhri, S. (2017). Strategy for increasing traditional market competitiveness in dealing with the presence of modern market. *Eko-Regional Jurnal Pengembangan Ekonomi Wilayah*, 12(1). <https://doi.org/10.20884/1.erjpe.2017.12.1.985>
- Batat, W. (2020). Experiential marketing: Case studies in customer experience. *Routledge*. <https://doi.org/10.4324/9781003022565>
- Bin Lahuri, S., Lesmana, M., Syamsuri, S., & Husni, I. (2021). *The development of traditional market by the government of special region of Yogyakarta in Islamic economics perspective*. <https://doi.org/10.13140/RG.2.2.19823.15520>
- Boulaksil, Y., Fransoo, J. C., Blanco, E. E., & Koubida, S. (2019). Understanding the fragmented demand for transportation—Small traditional retailers in emerging markets. *Transportation Research Part a: Policy and Practice*, 130, 65–81. <https://doi.org/10.1016/j.tra.2019.09.003>
- Cropanzano, R. (2009). Writing nonempirical articles for journal of management: General thoughts and suggestions. *Journal of Management*, 35, 1304–1311. <https://doi.org/10.1177/0149206309344118>
- Datta, P. R. (2017). *Relationship marketing and customer retention in Bangladesh's food retailing sector*.
- Day, G. S. (1969). A two-dimensional concept of brand loyalty. In U. H. Funke (Éd.), *Mathematical models in marketing: A collection of abstracts* (pp. 89–89). Springer. [https://doi.org/10.1007/978-3-642-51565-1\\_26](https://doi.org/10.1007/978-3-642-51565-1_26)

- Dick, A. S., & Basu, K. (1994). Customer loyalty: Toward an integrated conceptual framework. *Journal of the Academy of Marketing Science*, 22, 99–113. <https://doi.org/10.1177/0092070394222001>
- Fortunato, S., Bergstrom, C., Borner, K., Evans, J., Helbing, D., Milojevic, S., Petersen, A., Radicchi, F., Sinatra, R., Uzzi, B., Vespignani, A., Waltman, L., Wang, D., & Barabasi, A.-L. (2018). Science of science. *Science*, 359, eaao0185. <https://doi.org/10.1126/science.aao0185>
- Gallouj, C. (2021). *Le petit commerce traditionnel au Maroc. Résilience et modernité—Camal Gallouj*. <https://www.decitre.fr/livre-pod/le-petit-commerce-traditionnel-au-maroc-9782304050097.html>
- Gilaninia, S., Almani, A., Pournaserani, A., & Javad, S. (2011). Relationship marketing: A new approach to marketing in the third millennium. *Australian Journal of Basic and Applied Sciences*, 5.
- Gremler, D., & Brown, S. (1996). *Service loyalty: Its nature, importance, and implications*.
- Gronroos, C. (1990). *Service management and marketing: Managing the moments of truth in service competition*. Lexington Books, Lexington.
- Grönroos, C. (1997). Keynote paper from marketing mix to relationship marketing—towards a paradigm shift in marketing. *Management Decision*, 35(4), 322–339. <https://doi.org/10.1108/00251749710169729>
- Heskett, J. L. (1990). *Service breakthroughs*. Simon and Schuster.
- Ishak, F., & Ghani, N. H. A. (2013, décembre 11). *A review of the literature on brand loyalty and customer loyalty*. <https://www.semanticscholar.org/paper/A-review-of-the-literature-on-brand-loyalty-and-Ishak-Ghani/e8a8fc96ec07accfe91e4cca445330bea0df6d13>
- Jacoby, J., & Kyner, D. B. (1973). Brand loyalty vs. repeat purchasing behavior. *Journal of Marketing Research*, 10(1), 1–9. <https://doi.org/10.1177/002224377301000101>
- Kabbassi, I. (2007). *Variables that affect purchase intentions in Moroccan large retailers*. MBA Thesis, Al Akhawayn.
- Kania, K., & Kałaska, M. (2019). Functional and spatial changes of souks in Morocco's imperial cities in the context of tourism development. *Miscellanea Geographica*, 23(2), 92–98. <https://doi.org/10.2478/mgrsd-2019-0002>
- Kim, J. I., Lee, C. M., & Ahn, K. H. (2004). Dongdaemun, a traditional market place wearing a modern suit: The importance of the social fabric in physical redevelopments. *Habitat International*, 28(1), 143–161. [https://doi.org/10.1016/S0197-3975\(03\)00036-5](https://doi.org/10.1016/S0197-3975(03)00036-5)
- Kotler, P., & Armstrong, G. (2010). *Principles of marketing*. Pearson Prentice Hall, New Jersey
- Kunisch, S., Menz, M., Bartunek, J., Cardinal, L., & Denyer, D. (2018). Call for papers: How to conduct rigorous and impactful literature reviews?—Feature topic at organizational research methods. In *Organizational Research Methods* (Vol. 21). <https://doi.org/10.1177/1094428118770750>
- Leckie, C., Nyadzayo, M. W., & Johnson, L. W. (2017). Promoting brand engagement behaviors and loyalty through perceived service value and innovativeness. *Journal of Services Marketing*, 32(1), 70–82. <https://doi.org/10.1108/JSM-01-2017-0035>
- Liberati, A., Altman, D. G., Tetzlaff, J., Mulrow, C., Gøtzsche, P. C., Ioannidis, J. P., Clarke, M., Devereaux, P. J., Kleijnen, J., Moher, D. (2009). The PRISMA statement for reporting systematic reviews and meta-analyses of studies that evaluate health care interventions: Explanation and elaboration. *PLoS Med*, 6(7), e1000100. <https://doi.org/10.1371/journal.pmed.1000100>. Epub 2009 Jul 21. PMID: 19621070; PMCID: PMC2707010.
- Lin, H.-H., & Wang, Y.-S. (2006). An examination of the determinants of customer loyalty in mobile commerce contexts. *Information & Management*, 43, 271–282. <https://doi.org/10.1016/j.im.2005.08.001>
- Molinillo, S., Aguilar-Illescas, R., Anaya-Sánchez, R., & Carvajal-Trujillo, E. (2022). The customer retail app experience: Implications for customer loyalty. *Journal of Retailing and Consumer Services*, 65, 102842. <https://doi.org/10.1016/j.jretconser.2021.102842>
- Mueller Loose, S., Peschel, A., & Grebitus, C. (2013). Quantifying effects of convenience and product packaging on consumer preferences and market share of seafood products: The case of

- oysters. *Food Quality and Preference*, 28(2), 492–504. <https://doi.org/10.1016/j.foodqual.2012.11.004>
- Nurcaya, N. (2021). *Antecedents of satisfaction and their impact on community loyalty in traditional markets in Bali* (Vol. 5, p. 15).
- Oliver, R. L. (1997). *Satisfaction: A behavioral perspective on the consumer*. The McGraw-Hill Companies, Inc., New York.
- Pamardhi, R. (1997). *Planing for traditional Javanese markets in Yogyakarta region*. University of Sydney, Sydney.
- Park, J.-H., & Chung, L.-C. (2016). The impact of reputation of culture & tourism oriented markets on revisit and WOM intention in traditional markets. *Journal of Distribution Science*, 14(8), 77–86. <https://doi.org/10.15722/jds.14.8.201608.77>
- Peterson, R. A. (1995). Relationship marketing and the consumer. *Journal of the Academy of Marketing Science*, 23(4), 278–281. <https://doi.org/10.1177/009207039502300407>
- Prihatminingtyas, B. (2017). Traditional market traders and local institutions in Malang City. *European Journal of Business and Management*, 4.
- Rahadi, R. A. (2012). Factors related to repeat consumption behaviour: A case study in traditional market in Bandung and surrounding region. *Procedia - Social and Behavioral Sciences*, 36, 529–539. <https://doi.org/10.1016/j.sbspro.2012.03.058>
- Rahadi, R., & Prabowo, S. (2015). David vs. Goliath: Uncovering the future of traditional markets in Indonesia. *Mediterranean Journal of Social Sciences*, 6, 28–36. <https://doi.org/10.5901/mjss.2015.v6n5p28>
- Rane, N., Achari, A., & Choudhary, S. (2023). Enhancing customer loyalty through quality of service: Effective strategies to improve customer satisfaction, experience, relationship, and engagement. *International Research Journal of Modernization in Engineering Technology and Science*, 5, 427–452. <https://doi.org/10.56726/IRJMETS38104>
- Rosenbaum, M., Ostrom, A., & Kuntze, R. (2005). Loyalty programs and a sense of community. *Journal of Services Marketing*, 19, 222–233. <https://doi.org/10.1108/08876040510605253>
- Rotuauli, T., Handaka, A., Rizal, A., & Nurhayati, A. (2020). Consumer behavior analysis in purchase of freshwater fish in Bandung City (Case study in the traditional market of Kosambi). *Asian Journal of Fisheries and Aquatic Research*, pp. 1–8. <https://doi.org/10.9734/ajfar/2020/v6i330096>
- Rudawska, E. (2014). Customer loyalty towards traditional products—Polish market experience. *British Food Journal*, 116, 1710–1725. <https://doi.org/10.1108/BFJ-10-2013-0299>
- Sadilah, E. (2011). *Eksistensi pasar tradisional: Relasi dan jaringan pasar tradisional di Kota Semarang, Jawa Tengah* (Cetakan pertama). Kementerian Kebudayaan dan Pariwisata, Direktorat Jenderal Nilai Budaya, Seni dan Film, Balai Pelestarian Sejarah dan Nilai Tradisional.
- Schmitt, B., & Zarantonello, L. (2013). Consumer experience and experiential marketing: A critical review. In N. K. Malhotra (Ed.), *Review of marketing research* (Vol. 10, pp. 25–61). Emerald Group Publishing Limited. [https://doi.org/10.1108/S1548-6435\(2013\)0000010006](https://doi.org/10.1108/S1548-6435(2013)0000010006)
- Suryadarma, D., Poesoro, A., Budiayati, S., Madi, A., & Rosfadhila, M. (2007). Impact of super-markets on traditional markets and retailers in Indonesia's Urban Centers. *East Asian Bureau of Economic Research, Development Economics Working Papers*.
- Sweeney, J., & Swait, J. (2008). The effects of brand credibility on customer loyalty. *Journal of Retailing and Consumer Services*, 15, 179–193. <https://doi.org/10.1016/j.jretconser.2007.04.001>
- Udjianto, D. W., Astuti, R. D., Hastuti, S. R. B., & Muharam, T. N. (2021). Encouraging traditional market through customer satisfaction. *RSF Conference Series: Business, Management and Social Sciences*, 1(3), Article 3. <https://doi.org/10.31098/bmss.v1i3.297>
- Ustriyana, I. N. G. (2016). Factors shaping the image of Badung traditional market in Denpasar City, Bali Province. *International Journal of Environment, Agriculture and Biotechnology*, 1(4), 975–980. <https://doi.org/10.22161/ijeab/1.4.49>
- Wallin Andreassen, T., & Lindestad, B. (1998). Customer loyalty and complex services: The impact of corporate image on quality, customer satisfaction and loyalty for customers with varying



- degrees of service expertise. *International Journal of Service Industry Management*, 9(1), 7–23. <https://doi.org/10.1108/09564239810199923>
- Wang, H., Kim, K. H., Ko, E., & Liu, H. (2016). Relationship between service quality and customer equity in traditional markets. *Journal of Business Research*, 69(9), 3827–3834. <https://doi.org/10.1016/j.jbusres.2016.04.007>
- Wirza, Y., Dewi Famela, G., Nurajijah, & Widiani, N. (2020). *Language and social class: The differences between traditional market and mall*. <https://doi.org/10.2991/assehr.k.200406.046>
- Xuan, Q. T. (2020). *The role of service scape and social interaction towards the experience of customers and employees in the café setting. A study in Vietnam*. Ph.D. thesis, Université Côte d’Azur. <https://tel.archives-ouvertes.fr/tel-03141600>
- Yuan, Y. -H. “Erin”, & Wu, C. “Kenny”. (2008). Relationships among experiential marketing, experiential value, and Customer Satisfaction. *Journal of Hospitality & Tourism Research*, 32(3), 387-410. <https://doi.org/10.1177/1096348008317392>
- Yuen, E., & Chan, S. (2010). The effect of retail service quality and product quality on customer loyalty. *Journal of Database Marketing and Customer Strategy Management*, 17, 222–240. <https://doi.org/10.1057/dbm.2010.13>
- Yusmalina, Y., Tegor, T., Haqiqi, F., Rosady, R. E., & Azura, N. (2021). Comparative Analysis of strategy traditional market and modern markets of consumer valuation. *International Journal of Multicultural and Multireligious Understanding*, 8(11), Article 11. <https://doi.org/10.18415/ijmmu.v8i11.3039>
- Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996). The Behavioral consequences of service quality. *Journal of Marketing*, 60(2), 31–46. <https://doi.org/10.1177/002224299606000203>

**Mariem Mekkaoui Alaoui** is a marketing researcher and communications teacher with a double master’s degree in economics and management of social organizations, as well as in training engineering and employment systems. With a degree in economics, she combines academic and practical expertise. Her career reflects her commitment to in-depth understanding of markets and her educational role in training future professionals. As a passionate teacher, Mekkaoui passes on her knowledge with rigor and relevance. At the same time, her marketing research has enriched the academic literature, testifying to her significant impact in the field.

**Laila Ouhna** Professor of Marketing and Strategy at Ibn Zohr University, holds a Bachelor’s Degree and Master in Management from the same University and also Ph.D. in Marketing from the same university. Her pioneering research in relationships marketing resulted in many publications, books, and review. Also her research “Islamic value and organizational ethics” is resulted in book “*Research on Islamic Business Concepts*” (13th edition) 2022. Recently, her research is oriented to business ethics and Islamic marketing.

# The Factors Influencing Brand Love: Evidence from Moroccan Football



Mohammed Hassouni, Lamiae El Amrani, and Maha Bendahmane

**Abstract** One of the most enduring bonds a person may have is with their favorite football team. Football brand love can have a variety of effects and can be explained by a number of factors. This study's objective is to propose a brand love explanatory model that takes both antecedents and consequences into account. A survey has been distributed to 503 people in an effort to shed some light on this phenomena. Football brand love is influenced by prior success, peer pressure, celebrity players, and brand identification. Word-of-mouth, game attendance, product purchases, and club loyalty appear to be the outcomes of football brand love. The theoretical goal of this research is to close a theoretical gap in the literature of third-world sports. This study's managerial goal is to make recommendations for factors football club managers should take into account. The lack of moderating variables for brand love represents the study's limitations. For future investigations, other variables could be taken into consideration.

**Keywords** Antecedents · Consequences · Brand love · Soccer clubs

## Introduction

During the last two decades, the World Soccer Economy has reached a size like never before (Statista, 2024). As a matter of fact, soccer clubs brands became a subject of interest for researchers (Desbordes, 2006; Desbordes & Richelieu, 2020).

---

M. Hassouni (✉)

Institut des Métiers du Sport, Ibn Tofail University, Kenitra, Morocco  
e-mail: [mohammed.hassouni2@uit.ac.ma](mailto:mohammed.hassouni2@uit.ac.ma)

L. E. Amrani · M. Bendahmane

Faculté des Sciences Juridiques, Economiques et Sociales-Souissi, Mohammed V University, Rabat, Morocco  
e-mail: [l.elamrani@um5r.ac.ma](mailto:l.elamrani@um5r.ac.ma)

M. Bendahmane

e-mail: [m.bendahmane@um5r.ac.ma](mailto:m.bendahmane@um5r.ac.ma)

Soccer clubs generate passion in an exceptional manner (Desbordes, 2006; Ferrand & pages, 1999; Richelieu & Boulaire, 2005). They influence the common imagination (Melnick & Wann, 2011; Treinska, 2017). Contrariwise to classic brands whose popularity depends on brand management, soccer club brands remain popular all the time thanks to their unconditional fan base. In other words, soccer fans support their team through thick and thin unlike with classic brands. This phenomena could be most probably explained by the brand love felt by soccer fans toward their clubs (Abosag et al., 2012; Sutton et al., 1997). Thus, we could define brand love, the subject matter of this paper, as the level of emotional attachment and passion that goes beyond reason (Carroll & Ahuvia, 2006).

Soccer clubs brand equity amounts to staggering sums and shows good financial health despite of economic crisis (Covid19, 2008 Financial Crisis, etc.). According to “The Visual Capitalist” web site (2023), the most expensive brands were worth 1.562 billion USD for the Manchester City, Real Madrid 1.513 billion USD, and FC Barcelona 1.425 billion USD. These are also the teams that have the strongest presence on social networks if we trust the following studies (Deloitte, 2016; Jones et al., 2016; The Visual Capitalist, 2023). Football competitions like the World cup and The UEFA Champions League represent the most lucrative sport competitions in the world. Their attractivity has kept on growing throughout the last decades (Football database 2024).

Concerning Morocco, soccer is the most popular sport (Wood, 2024). The Moroccan soccer championship is one of the oldest in Africa. The Moroccan soccer teams are among the best in Africa (Africa Soccer Club Ranking, 2024). The Moroccan national team created a surprise in the last 2022 World Cup by reaching the semi-finals. Despite the anciently of the Moroccan Soccer Championship, Soccer teams have become professional only recently. The law 30–01 changed the football club legal status (Medias24, 2018). Moroccan soccer clubs no longer operate like associations, but more like companies. Despite this change of status, some clubs still don’t have marketing functions (Boufrioua, 2008; Koutaya et al., 2020), and don’t fully reach their full marketing potential (Raja, WAC).

Unlike several countries such as the United States or Australia, where studies on sports marketing are common, in Morocco this practice remains in its infancy (there are only two academic journal of sports management with only two issues, according to the Moroccan National Center of Scientific Research, (Imist, 2024)). As a result, very little is known regarding sport marketing in the Moroccan context. Also, the brand love concept applied to Moroccan soccer clubs seems to be scarcely explored (Imist, 2024) leading us to the following research questions:

- What are the factors influencing soccer fans brand love in Morocco?
- What are the consequences of soccer fans brand love in Morocco?

Therefore, the interest of this study would be to understand the factors influencing soccer brand love in Morocco, and to analyze the consequences of football brand love. The end of this work would be to fill a gap in the literature of sports marketing in a third-world context, and to suggest and test a model in an unexploited context.

From a managerial perspective, the aim of this paper would also be to suggest areas of investigation for soccer club managers.

## Literature Review

### *The Brand*

Brand has been defined by the American Marketing Association as a name, term, sign, or design or combination of the two with the purpose of differentiating goods and services from the competition (Shank, 2009; Wood, 2000). For some authors, a successful brand is an identifiable product, service, person, or place that is magnified in a way that is perceived by the consumer as unique, relevant, and of high value (Aaker & Joachimsthaler, 2000; Bourke, 2006; de Chernatony & McDonald, 1998; Iglesias et al., 2017). Brands contain styles and logo that distinguish them from their competitors. For example, McDonalds and Nike are easily identifiable thanks to their logo.

A strong brand is vital for a company operating in a competitive market. It differentiates an offer from its competitors and satisfies the emotional and rational needs of the person who acquires it because of its unique added value (Kapferer, 2002; Lemon & Verhoef, 2016). The benefits of a brand are particularly important given the meaning it has in the eyes of its consumers. Brands have high financial value and generate high loyalty and incremental sales (Aaker & Joachimsthaler, 2000; Abosag et al., 2012; de Chernatony & McDonald, 1998; Iglesias et al., 2017). Thus, a brand strategy provides a real competitive advantage.

From a consumer perspective, brands promise value. A brand is a promise that a product will perform well and meets consumer expectations (Franzen & Moriarty, 2015). Brands facilitate problem-solving, and customer satisfaction (Macinnis, 2009). For example, Gillette and Pirelli contribute to consumer comfort and safety. It is a mental formulation of what a brand will deliver to consumers on a symbolic level. A brand therefore incorporates both tangible and intangible elements. The latter intangible elements are those that make the difference in the eyes of consumers (Hill & Vincent, 2006; Richelieu, 2012; Prayag et al., 2020).

### *Sports Brands*

Conceptualizing sports brands remains a pretty complex issue. For some researchers like Rein et al. (2006), sports brands could be defined as a synthesis of facts and images that constitute a sports product and appears in the form of slogans, symbols, product features, and a number of tangible and intangible attributes. However for other researchers, the concept of sports brand is ambiguous (Bouchet et al., 2013;

Westerbeek & Smith, 2003), since some sports brands have both sporting and non-sporting aspects. For example the English Soccer club Manchester United, offers to its fans access to banking services. Also Fc Barcelona has a wide range of non-sport derivative products like t-shirts, mugs, schoolbags, etc.

Throughout the literature, we can observe different typologies of sports brands. These typologies come from different disciplines (Morris & Groves, 1997; Playe, 2014). Sports brands are perceived differently by economists and marketing researchers. For economists, sports brands are corporate brands that produce products purchased and used by athletes. For the latter, brands related to sports entertainment are excluded from this typology. For some marketing researchers, sports brands are limited to leagues, teams, and events (Desbordes & Richelieu, 2020). Other marketing researchers (Bouchet, 2021; Carlson & Donovan, 2013) suggest a typology of sports products that includes equipment manufacturers (Nike), sponsors (Coca Cola), organizations (FIFA), events (World Cup soccer), teams (FC Barcelona), and athletes (Michael Jordan).

Sports brands are the most popular brands (Milligan, 2009; Bouchet et al., 2013; Jones et al., 2016) and generate strong emotions in individuals as evidenced by the definition of Desbordes and Richelieu (2020). Sport brands' fans are highly identified to their brands, and tend to be more sensitive to criticism about their beloved teams (Martin et al., 2020; Trzcinska, 2017; Underwood et al., 2001). As a result, several researchers debate regarding the classification of sport brands as conventional brands (Bauer et al., 2008; Ross, 2006; Underwood et al., 2001). Thus, sports brand love is one of the phenomena that marketing researchers seek to explain.

## ***Brand Love***

Brand love is the attachment that a passionate consumer feels for a particular brand (Carroll & Ahuvia, 2006; Heding et al., 2020). That attachment can be built on the long term (Fournier, 1998), and contributes to consumer's identity (Batra et al., 2012). While a sports team is considered a brand, sports products are distinct from traditional brands due to their unpredictability and intangibility (Harmeling et al., 2017; Mullin et al., 2007). A sports brand is a construct that includes cognitive, emotional, and behavioral dimensions. Understanding the antecedents and consequences of brand love remains important for sports organizations and sports marketing professionals.

Research on the antecedents of brand love illustrates the role of identification. An individual is more likely to show love for the brand he identifies with (Batra et al., 2012). The more he or she identifies with the brand, the more he or she will love the brand (Albert et al., 2013; He & Li, 2011). Brand identification is one of these most important antecedents (Alnawas & Altarifi, 2016; Rohra & Sharma, 2016). Brand satisfaction influences brand love (Carroll & Ahuvia, 2006). Another equally important parameter remains brand trust (Fetscherin et al, 2019). Brand antecedents such as brand expressiveness and hedonic value also explain why individuals like brands (Arnett et al., 2003; Ind et al., 2013). Other studies (Roy et al., 2013) have

proven that self-congruity, materialism, and romantic personality. In professional sports, different studies show that sources of hedonic benefits such as stars, the track record of the supported team, and the quality of the proposed show influence in sports brand love (Martin et al., 2020; Tavormina, 2013; Trzcinska, 2017; Veloutsou & Guzman, 2017).

Regarding, the consequences of brand love, the available studies show that each of the three aspects of positive word-of-mouth, loyalty, club advocacy and willingness to pay more (Albert et al., 2013; Ganesh et al., 2000; Minh, 2019; Martin et al., 2020; Swimberghe et al., 2014; Veloutsou & Guzman, 2017) result from sports brand love. People who love a brand are willing to pay more for a brand, and are willing to share their passion and enthusiasm for the brand with others (Bergkvist & Bech-Larsen, 2010). They feel anxiety about the lack of a brand. Consumers tend to be loyal to the brands they like which is common in the context of sports clubs (Liu et al., 2018; Manthiou et al., 2018; Markelz, 2017; Marquette et al., 2017; Mody & Hanks, 2020). The shortcoming of these studies related to the consequences of the brand love concept is that none of them concerned the sport sector. They all concerned sectors food, electronics, travel, transport, clothing (Martin et al., 2020).

## Conceptual Framework

### *Brand Identity*

Brand identity is according to Van der Westhuizen (2018) an intangible asset that defines the uniqueness and strength of the sports brand. The unique identity of sports teams is beneficial to their brands (Desbordes & Richelieu, 2020; Richelieu & Pons, 2006). The team uses its values to position itself in the market and distinguish itself from its competitors (Desbordes & Richelieu, 2020). Some teams communicate their values and uniqueness better than their competitors, which contributes to their global positioning. For example, Real Madrid's values of honesty, discipline, fighting spirit, and leadership are associated with the team's strategy (Baena, 2016; Manoli, 2022). According to Hognestad (2006), the visual identity of soccer teams is the main reason why certain soccer teams are supported. Also, some studies prove that football fans love teams toward which they identify to (Chavanat and Bodet, 2009; Hill & Vincent, 2006; Richelieu, 2013; Richelieu et al., 2008). In Chavanat and Bodet study's (2009), French Fans love Liverpool Football club because they identified to that club. Thus, we suggest the following hypothesis (see Fig. 1):

**Hypothesis 1: brand identity positively influences soccer club Brand love**

## *The Stars*

Sports marketing research has often emphasized the role of star players. Pifer et al. (2015) described star players in terms of extra-sports characteristics (charisma, attractiveness, and leadership) and sports characteristics (athletic performance, leadership). Different studies have shown that players within a team impact the team's brand equity (Bauer et al., 2005; Parganas et al., 2015). Stars attract fans to sports products through their actions, personality, and style of play (Rein et al., 2006) and represent brands by themselves (Pifer et al., 2015; Martin et al. 2020). Star players offer exceptional athletic performance to the club's public. They guarantee quality entertainment to the club fan. As a result, star players represent an antecedent of brand love according to several studies (Batra et al., 2012, Martin et al., 2020). As a result, we can consider the following hypothesis (see Fig. 1):

**Hypothesis 2: Stars positively influence soccer club brand love.**

## *Past Successes*

Various studies have shown that the successes of sports clubs affect their brand equity (Batra et al., 2012; Bodet & Chavanat, 2010; Couvelaere & Richelieu, 2005; Kerr & Emery, 2016). Fans support winning teams (Baena, 2016, 2018; Couvelaere & Richelieu, 2005). They live through their club according to different studies (Funk et al., 2016, Martin et al. 2020). Passionate fans support their club regardless of their performance (De Oliveira Santini et al., 2013; Wann & Branscombe, 1990). This measure of performance remains relative (Shilbury et al., 2017). Some fans are satisfied with their team even if it does not achieve high rankings (Minh, 2019). For teams at the bottom of the table, avoiding relegation can be considered a success, while those at the top of the table measure their achievements by the trophies won (Trzcinska, 2017; Wakefield, 2007). Soccer teams past performances contribute to their prestige and equity. A soccer team prestige has been a source of Fanatism and brand love (Martin et al., 2020; Minh, 2019; Trzcinska, 2017). Therefore, the following hypothesis is suggested (see Fig. 1):

**Hypothesis 3: Past successes influence soccer club brand love.**

## *The Social Pressure*

Social pressure is the social influence that an individual is confronted with, and mentally incorporates. It results from the interaction of groups of references which are essentially family and friends, and influences consumer behavior (Cunningham & Kwon, 2003; Pimentel & Reynolds, 2004). Sports are social activities (Gross, 2009; Mullin et al., 2007; Rivera & Molero, 2012), which are based on the desire to socialize

with other fans (Wann et al., 2008). Being accepted by a peer group is important for an individual in order to have positive sports consumption according to different studies (Hunt et al., 1999; Wakefield & Sloan, 1995). Social influence affects brand attachment and brand love (Jones, 1997; Vale & Fernandes, 2018). Family and community norms influence sports brand love (Chavanat & Bodet, 2009; Pimentel & Reynolds, 2004; Rivera & Molero, 2012). In other words, if a family supports a soccer team then family members are more likely to fit in. Thus, the following hypothesis can be suggested (see Fig. 1):

**Hypothesis 4: Social pressure influences soccer club brand love.**

### ***Club Products Purchase***

The purchase of sport brand-related product has received significant attention in the literature (Wallace et al., 2014, Baena, 2016, 2018; Marquette et al., 2017, Vale & Fernandes, 2018). It remains one of the most common sign of Soccer Fanatism (Gumparathi and Minh, 2019; Patra, 2019). This behavior can be done by both current football fans and satellite fans (Tzcrinska, 2017). The more a football fan loves a team, the more likely he or she will buy products related to the team he or she loves (Marquette et al., 2017; Minh, 2019; Tavormina, 2013; Tzcrinska, 2017). For Gladden et al. (1998), a merchandise item is a product that contains an organization's logo or name, including T-shirts, scarves, hats, classic vintage items, or other digital products. From a team perspective, product sales represent a significant source of revenue especially for teams with strong brands (Shilbury et al., 2017; Wakefield, 2007). The purchase of soccer club products by fans contributes to the promotion of the club within their circle (Batra et al., 2012; Kerr & Gladden, 2008). Therefore, the following hypothesis can be implied (see Fig. 1):

**Hypothesis 5: Soccer club brand loves influences club products purchase**

### ***Stadium Attendance***

Researchers have been interested in understanding the phenomenon of fan attendance to the stadium (Marquette et al., 2017; Martin et al., 2020). Several studies have proven that team equity leads to tickets sales (Gladden & Milne, 1999; Gladden & Funk, 2002; Kerr & Gladden 2008). Psychological reasons such as eustress, self-esteem, family reasons, aesthetics, and entertainment explain stadium attendance (Funk et al., 2016; Roberts, 2005). Highly identified fans attend games (Sutton et al., 1997; Trzcinska, 2017) whether they are local fans or satellite fans. The link between stadium attendance and outcomes has been confirmed in several studies (Bauer et al., 2005; Richelieu, 2013). Full stadiums positively influence sports outcomes (Kerr & Emery, 2011, 2016). Fans improve the stadium atmosphere influencing the quality of events (Glebova & Desfontaine, 2020; Thomson, 2005). For example, the higher



the attendance, the higher the media and sponsorship contracts (Urrutia et al., 2008). Since our study concerns local soccer fans, we can propose the following hypothesis (see Fig. 1):

**Hypothesis 6: Soccer club brand love influences stadium attendance.**

### ***Media Follow-Up***

TV broadcasting rights are the main source of income for professional soccer clubs (Jones et al., 2016, The visual Capitalist, 2023). This is especially true for clubs with the largest brand equity (Desbordes & Richelieu, 2020; Palazon et al., 2014). In addition, soccer clubs have also taken advantage of the internet and social networks to manage relationships with their audiences (McCarthy et al., 2014; Parganas et al., 2015). They have been able to establish communities on several types of social media like Facebook, Instagram, or Twitter. The biggest soccer communities in the world are the ones of Real Madrid, Fc Barcelona, and Manchester United (Football Benchmark.com, 2023). The most followed football clubs in Morocco are Raja, WAC and FAR (Football Database, 2024). Also from the fan perspective, the more fans identify with a team the more likely they will follow it on social media (Trzcinska, 2017; Wakefield, 2007). The more they will comment about the performance, and express their emotions about players, teams, and offered services. Consequently, the media follow-up therefore represents a consequence of brand love, which leads us to the following hypothesis (see Fig. 1):

**Hypothesis 7: Soccer Club brand love influences Media Follow up**

### ***Positive Word-Of-Mouth***

Word-of-mouth is the communication medium used by consumers to engage with other consumers regarding product experience, evaluation, and recommendations (Anderson, 1998; Brown et al., 1996; Carrol & Ahuvia, 2006; Roy et al., 2013). The main role of football fans consist in engaging in positive word of mouth concerning their soccer team (Minh, 2019; Yoshida et al., 2015). Soccer fans are even considered as ambassadors for their clubs (Richelieu, 2013; Richelieu & Boulaire, 2005). A typical sport fan engages in positive word-of-mouth with his family, friends, and colleagues (Karjaluo et al., 2016). Positive word-of-mouth happens even if the supported club is facing difficult situations (Batra et al., 2012). Satisfied consumers engage in positive word-of-mouth (Batra et al., 2012; Karjaluo et al., 2016). Positive word-of-mouth plays a large role in sport consumption decisions, since it influences lots of product purchases (Carrol & Ahuvia, 2006; Martin et al., 2020; Swanson et al., 2003). Consumers who are more engaged with their sports brands are more likely to engage in positive word-of-mouth (Madrigal & Chen, 2008; Marquette et al., 2017), leading us to suggest the following hypothesis (see Fig. 1):

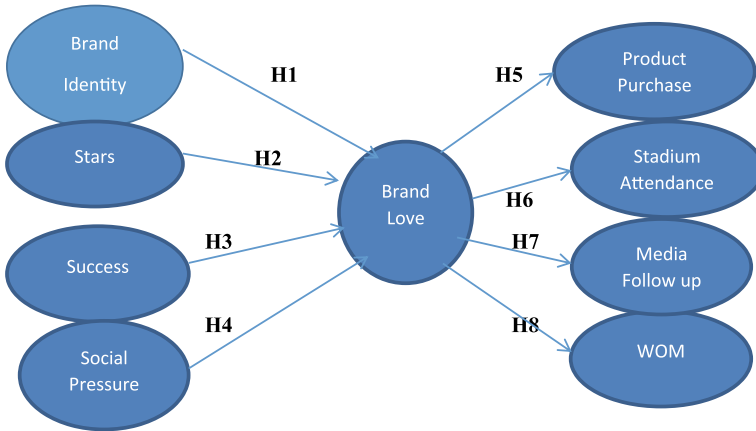


Fig. 1 The Brand love model

**Hypothesis 8: Soccer Club Brand love influences positive word of mouth (WOM).**

### Research Methodology

The suggested model has never been to our knowledge tested empirically in the context of Moroccan soccer. The data was collected through a questionnaire. The questionnaire method remains very popular in the field of sports marketing. The questionnaire items that were used in this study came from previous literature (Alexandris et al., 2007; Algesheimer et al., 2005; Byon et al., 2010; Choi et al., 2010; Fink et al., 2002; Swanson et al., 2003). The questionnaire was organized into two sections. Section 1 contained the questionnaire variables, and Sect. 2 the demographic section.

Concerning the items translation, the items were translated from English to French. Back-translation was implemented to ensure the validity of the results (Su & Parham, 2002; Wonyoung et al., 2015). The goal was to have an equivalent meaning between the original questionnaire and the adapted one.

The measurement scale that was considered was the 1 to 5 Likert scale with 1 meaning strongly disagree and 5 meaning strongly agree. These items were grouped into the eight variables of the brand love model used in this study. Each variable was measured by four items. A minimum of 3 items per variable is considered as acceptable in current research according to Cook et al. (1981), as it ensures internal validity.

Concerning the sampling method, the number of variables used in the model influenced the sample size. According to Hair et al. (2010), for a study like this one, a minimum of 500 respondents would be needed because of the 8 constructs considered in this study. The participants were recruited on the basis of their suitability for the

study. The criteria considered was Moroccan soccer Fanatism. The method used was convenience sampling. A pre-test of 30 people was conducted in a pilot study to make sure that the questionnaire was easy to understand.

503 online responses were collected in June 2022. The partial least square (PLS) method was used for the results data. The software smart PLS 3 was used. This method was privileged over other methods that are covariance-based because it was the most robust for predicting complex models with dependent variables and latent variables (Ringle et al., 2015). A bootstrap of 5000 subsample was done.

## The Results

The first filter of the questionnaire consisted in asking the Moroccan team supported by the respondent. 38.2% of the respondents supported Raja de Casablanca, 30% Wydad de Casablanca, and 18.2% Hassania Agadir. 65% of the respondents were male and 35% female. 88% of the respondents were between 18 and 35 years old. 85% of the respondents lived between Casablanca and Kenitra.

According to the procedures suggested by Hair et al. (2006) for the pre-evaluation of the model, the factorial analysis with the varimax rotation was done. Brand love was measured with four items, 1 of which explained 78.48% of the total variance represented by a KMO of 0.835 and Cronbach's alpha of 0.867. The brand identity had 4 items that explained the variance and 1 whose variability was 67.248, a KMO index of 0.797 and a Cronbach's alpha of 0.842. The star variable variability was explained by 4 items, one of the items explained 69% of the variation, a KMO of 0.655 and a Cronbach's alpha of 0.761. Social pressure was measured by 4 items, one of which had an item that explained 67.22% of the variation and a KMO of 0.755 and a Cronbach alpha of 0.841. Past success was measured by 4 items, one of which explained 78.22% of the variation, a KMO of 0.842 and a Cronbach's alpha of 0.884. Product purchase was measured by 4 items. 1 influenced 78% of the variation, with a KMO of 0.846 and a Cronbach's alpha of 0.886. Word-of-mouth was measured with 4 items, 1 of which accounted for 78.4% of the variation, with a KMO of 79.4% and a Cronbach's alpha of 0.874. Stadium attendance was measured with 4 items of which 1 had a variability of 69.2%, a KMO of 0.758, and a Cronbach's alpha of 0.867. Media follow-up was measured by 4 items, 1 of which had a variability of 75.5%, a KMO of 0.831, and a Cronbach's alpha of 0.883 (see Table 1).

Afterward, the convergent validity conditions were assessed. The Cronbach alpha, the Joreskog's Rho, and the composite reliability were all greater than 0.7. The AVEs were greater than 0.5. Thus, the convergent validity conditions were verified (Hair et al., 2010).

Also, concerning the discriminant validity conditions, we can see from the following heterotrait matrix (see Table 2) that all the variables do not reach a correlation of 0.9 as mentioned by Hair et al. (2006). Thus, the discriminant validity conditions were verified.

**Table1** Convergent validity

	Cronbach's alpha	rho_A	Composite reliability	Average variance extracted (AVE)
Product purchase	0.886	0.899	0.917	0.791
Brand love	0.867	0.890	0.919	0.785
WOM	0.874	0.913	0.937	0.790
Brand identity	0.842	0.807	0.892	0.682
Social pressure	0.841	0.854	0.871	0.669
Stadium attendance	0.867	0.852	0.894	0.678
Past success	0.884	0.939	0.903	0.771
Media follow-up	0.883	0.867	0.923	0.744
Stars	0.761	0.802	0.705	0.527

**Table 2** Discriminant validity conditions

	Product purchase	Brand love	WOM	Brand identity	Social pressure	Game attendance	Past success	Media follow-up	Stars
Product purchase									
Brand love	0.632								
WOM	0.658	0.850							
Brand identity	0.526	0.779	0.725						
Social pressure	0.588	0.542	0.536	0.543					
Game attendance	0.745	0.831	0.801	0.660	0.692				
Past success	0.290	0.471	0.478	0.385	0.469	0.382			
Media follow-up	0.530	0.835	0.857	0.663	0.509	0.771	0.495		
Stars	0.084	0.185	0.142	0.184	0.147	0.194	0.373	0.165	

Finally, the model hypothesis was tested. Table 3 shows that all hypotheses were validated. In other words, club brand identity influences club love ( $T = 10,558, p = 0.000$ ). Social pressure influenced club love ( $T = 4756, p = 0.000$ ). Past success influences club love ( $T = 5565, p = 0.000$ ). Stars influence club love ( $T = 4789, p = 0.000$ ). Brand love influences product purchase ( $T = 18,422, p = 0.000$ ). Brand love influences word-of-mouth ( $T = 27,629, P = 0.000$ ), game attendance ( $t = 26,703, p = 0.000$ ), and media follow-up ( $T = 24,225, P = 0.000$ ).

**Table 3** Hypothesis testing

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics ( O/STDEV )	P values
Brand love -> Product purchase	0.552	0.536	0.030	18,422	0,000
Brand love -> WOM	0.690	0.738	0.025	27,629	0.000
Brand love -> Game attendance	0.721	0.742	0.027	26,703	0.000
Brand love -> Media follow-up	0.751	0.713	0.031	24,225	0.000
Brand identity -> Brand love	0.454	0.486	0.043	10,558	0.000
Social pressure -> Brand love	0.195	0.183	0.041	4756	0.000
Past success -> Brand love	0.256	0.225	0.046	5565	0.000
Stars -> Brand love	-0.182	-0.149	0.038	4789	0.000

## Discussion

In the last decade, researchers have begun to understand the importance of the brand love concept (Batra et al., 2012; Martin et al., 2020), and more specifically marketing practitioners (Tavormina, 2013). Few models have been empirically tested to measure sport brand love (in our case a club). Our study suggested antecedents and consequences to soccer clubs brand love.

The model suggested in this study was inspired by several brand love models (Batra et al., 2012; Martin et al., 2020; Trzcinska, 2017). The results suggested that the model offers a very good approach to considering the antecedents and consequences of brand love with SRMR of 0.065 (Hair et al., 2010). Antecedents factors like brand identity, stars, past success, and social pressure influence soccer brand love. Soccer brand love has several consequences like product purchase, media follow-up, stadium attendance, and word-of-mouth. These results provide practitioners with information that allows them to better understand brand love and its consequences, and to act accordingly.

The results related to brand identity found in this study are consistent with the results found in previous studies (Albert et al., 2008; Trzcinska, 2017). The presence of stars on the other hand influenced brand love which seems contrary to the results of Trzcinska (2017) and Tavormina (2013). This result can undoubtedly be explained by differences between the leagues considered in the studies (Moroccan league vs. Polish league).

The results related to past team success are also consistent with what was found in previous studies (Marquette et al., 2017, Shuv-ami et al., 2018; Tavormina, 2013). This trend could be explained by the fact that the majority of respondents support the most prestigious Moroccan clubs. The results related to social pressure are similar to those of some previous studies (Pimentel & Reynolds, 2004, Shuv-ami, 2018), which is quite revealing of the local Moroccan culture.

Regarding the consequences, the results related to the willingness to consume the team's products were similar to previous studies (Batra et al., 2012; Heere & Dickson, 2008; Martin et al., 2020) which is rather surprising when we know the small size of the Moroccan market for local club products. The results related to match attendance and team following are in line with those found in previous studies such as Trzcinska (2017), or Tavormina (2013). Results related to positive word-of-mouth were in line with those of Tavormina (2013) and Marquette et al. (2017).

## Conclusion

This work has allowed us to understand the soccer brand love mechanism. We were able to see the definitions of complex terms such as brand, sport brand, and brand love. A distinction was made between sport brands and classic brands. This distinction helped to highlight their uniqueness and allowed us to suggest the different antecedents and potential consequences of soccer brand love. The main variables influencing brand love were brand identity, previous success, social pressure, and stars. The variables resulting from brand love were product purchase, team following, game attendance, and positive word-of-mouth.

The theoretical and managerial implications of this article allow on the one hand to better understand the phenomenon of soccer brand love and to suggest avenues of reflection for soccer club managers. On the one hand, the suggested model seeks to fill a gap in the sports literature in the Moroccan context but also and above all to test variables in the Moroccan context. The work focused on the point of view of fans in relation to the notion of brand love contrary to some works that were based on the opinions of experts (Richelieu & Desbordes, 2009; Shuv-ami, 2016). This work focused on a rather particular category of fan which is from a developing country while most studies focus on local fans from advanced countries (Bauer et al., 2008; Biscaia et al., 2013; Martin et al., 2020).

On the managerial level, this article wants to show marketing action areas for Moroccan club managers. It shows the importance of having stars to attract public. It reinforces the importance of the brand image of Moroccan soccer clubs and also the importance of group effects for the clubs. Also, it shows the importance of the club products and to establish communities on social networks in order to improve the team follow-up.

For future research, we encourage the application of this model with other types of fans than local club fans (e.g., Moroccan fans of European clubs). Also, we encourage the application of this model to a population other than the student population and

the use of this model in other types of team sports than soccer (basketball, handball, volleyball, etc.) for further generalization. Qualitative studies could be used to complement the results of this study. The inclusion of moderator variables such as gender or income level or soccer team could be included for future studies.

## References

- Aaker, D. A., & Joachimsthaler, E. (2000). *Brand leadership*. The Free Press.
- Abosag, I., Roper, S., & Hind, D. (2012). Examining the relationship between brand emotion and brand extension among supporters of professional football clubs. *European Journal of Marketing*, 46(9), 1233–1251.
- Africa Football/Soccer Clubs Ranking. (2024). Retrieved from: <https://footballdatabase.com/ranking/africa/1>
- Albert, N., Merunka, D., & Valette-Florence, P. (2008). When consumers love their brands: Exploring the concept and its dimensions. *Journal of Business Research*, 61(10), 1062–1075.
- Albert, N., Merunka, D., & Valette-Florence, P. (2013). Brand passion: Antecedents and consequences. *Journal of Business Research*, 66(7), 904–909.
- Alexandris, K., Tsaousi, E., & James, J. (2007). Predicting sponsorship outcomes from attitudinal constructs: The case of a professional basketball event. *Sport Marketing Quarterly*, 16, 130–139.
- Algesheimer, R., Dholakia, U. M., & Herrmann, A. (2005). The social influence of brand community: Evidence from European car clubs. *Journal of Marketing*, 69, 19–34.
- Alnawas, I., & Altarifi, S. (2016). Exploring the role of brand identification and brand love in generating higher levels of brand loyalty. *Journal of Vacation Marketing*, 22(2), 111–128.
- Anderson, E. (1998). Customer satisfaction and word of mouth. *Journal of Service Research*, 1(1), 5–17.
- Arnett, D. B., Laverie D. A., & Meiers A. (2003). Developing parsimonious retailer equity indexes using partial least squares analysis: a method and applications. *Journal of Retailing*, 79(3), 161–170.
- Baena, V., (2016). Online and mobile marketing strategies as drivers of brand love in sports teams. *International Journal of Sports Marketing and Sponsorship*, 17(3), 202–2018.
- Baena, V. (2018). The importance of CSR practices carried out by sport teams and its influence on brand love: The real Madrid foundation. *Social Responsibility Journal*, 14(1), 61–79.
- Batra, R., Ahuvia, A., & Baozi, R. (2012). Brand love. *Journal of Marketing*, 76(2), 1–16.
- Bauer, H. H., Sauer, N. E., & Schmitt, P. (2005) Customer-based brand equity in the team sport industry. *European Journal of Marketing*, 39, 496–513.
- Bauer, H. H., Stokburger-Sauer, N. E., & Exler, S. (2008). Brand image and fan loyalty in professional team sport: A refined model and empirical assessment. *Journal of Sport Management*, 22, 205–226.
- Bergkvist, L., & Bech-Larsen, T. (2010). Two studies of consequences and actionable antecedents of brand love. *Journal of Brand Management*, 17(7), 504–518.
- Bodet G., & Chanavat, N. (2010). Building global football brand equity: Lessons from the Chinese market. *Asia Pacific Journal of Marketing and Logistics*, 22(1), 55–66.
- Biscaia, R., Correia, A., Ross, S., Rosado, A., & Maroco, J. (2013). Spectator-based brand equity in professional soccer. *Sport Marketing Quarterly*, 22(1), 20–32.
- Bouchet, P. (2021). *La recherche en Management du Sport en «francophonie»: L'avènement d'un écosystème*.
- Bouchet, P., Hillairet, D., & Bodet, G. (2013). *Sport brands*. Routledge.
- Boufrioua, M. (2008). *Le marketing sportif Cas des clubs de football, Mémoire cycle supérieur de gestion ISCAE Casablanca*.

- Bourke, A. (2006). Marketing football in the republic of Ireland. In M. Desbordes (Ed.), *Marketing and football: An international perspective*. Butterworth-Heinemann, Oxford.
- Brown, S., Cowles, D., & Tuten, T. (1996). Service recovery: Its value and limitations as a retail strategy. *International Journal of Service Industry Management*, 5(5), 32–46.
- Byon, K. K., Cottingham, M., & Carroll, M. S. (2010). Marketing murderball: The influence of spectator motivation factors on sports consumption behaviours of wheelchair rugby spectators. *International Journal of Sports Marketing and Sponsorship*, 12(1), 76–94.
- Carlson, B. D., & Donavan, T. (2013). Human brands in sport: Athlete brand personality and identification. *Journal of Sport Management*, 27(3), 193–206.
- Carroll, B. A., & Ahuvia, A. C. (2006). Some antecedents and outcomes of brand love. *Marketing Letters*, 17(2), 79–90.
- Chanavat, N., & Bodet, G. (2009). Internationalisation and sport branding strategy: A French perception of the Big Four brands. *Qualitative Market Research: An International Journal*, 12(4), 460–481.
- Choi, T. M., Liu, N., Liu, S. C., Mak, J., & To, Y. T. (2010). Fast fashion brand extensions: An empirical study of consumer preferences. *Journal of Brand Management*, 17(7), 472–487.
- Cook, J. D., Hepworth, S. J., Wall, T. D., & Warr, P. B. (1981). *Experience of work: A compendium and review of 249 measures and their use*. Academic Press.
- Couvelaere, V., & Richelieu, A. (2005). Brand strategy in professional sports: The case of French soccer teams. *European Sport Management Quarterly*, 5(1), 23–46.
- Cunningham, G. B., & Kwon, H. H. (2003). The theory of planned behaviour and intentions to attend a sport event. *Sport Management Review*, 6, 127–145.
- De Oliveira Santini F., Ladeira w. J., & Falcao Araujo C. (2013). Background of Purchase Intention of Brazilian Soccer Club Fans. *Global Journal of Management and Business Research*, 13(E7), 1–10.
- De Chernatony, L., & McDonald, M. (1998). *Creating powerful brands in consumer, service and industrial markets*. Butterworth-Heinemann.
- Deloitte. (2016). *Football money league 2016*.
- Desbordes, M., & Richelieu, A. (2020). *International sport marketing*. Routledge Research in Sport Business and Management, Global Sport Marketing.
- Desbordes, M. (Ed.). (2006). *Marketing and football: An international perspective*. Butterworth-Heinemann.
- Ferrand, A., & Pages, M. (1999). Image management in sport organisations: The creation of value. *European Journal of Marketing*, 33(3/4), 387–402.
- Fetscherin, M., Guzman, F., Veloutsou, C., & Cayolla, R. R. (2019). Latest research on brand relationships: introduction to the special issue. *Journal of Product & Brand Management*, 28, 133–139.
- Fink, J. S., Trail, G. T., & Anderson, D. F. (2002). Environmental factors associated with spectator attendance and sport consumption behavior: Gender and team differences. *Sport Marketing Quarterly*, 11(1), 8–19.
- Football Benchmark. (2023). *Social media followers and engagement-top 20 football clubs*. Retrieved from [https://www.footballbenchmark.com/library/social\\_media\\_followers\\_and\\_engagement\\_top\\_20\\_football\\_clubs](https://www.footballbenchmark.com/library/social_media_followers_and_engagement_top_20_football_clubs)
- Football Database. (2024). *Morocco football/soccer clubs ranking*. Retrieved from: <https://footballdatabase.com/ranking/morocco/1>
- Fournier. (1998). Consumers and their brands: Developing relationship theory in consumer research. *Journal of Consumer Research*, 24(4), 343–373.
- Franzen, G., & Moriarty, S. (2015). *The science and art of branding*. Routledge.
- Funk, D., Lock, D., Karg, A., & Pritchard, M. (2016). Sport consumer behavior: Improving our game. *Journal of Sport Management*, 30, 113–116.
- Ganesh, J., Arnold, M., & Reynolds, K. (2000). Understanding the customer base of service providers: An examination of the differences between switchers and stayers. *Journal of Marketing*, 64(2), 65–87.



- Gladden, J. M., & Funk, D. C. (2002). Developing an understanding of brand associations in team sport: Empirical evidences from consumers of professional sport. *Journal of Sport Management*, 16(1), 54–81.
- Gladden J., & Milne G. (1999). Examining the Importance of Brand Equity in Professional Sports. *Sport Marketing Quarterly*, 8, 21–29.
- Gladden, J., Milne, G., & Sutton, W. A. (1998). A conceptual framework for assessing brand equity in division I college athletics. *Journal of Sport Management*, 12(1), 1–19.
- Glebova, E., & Desfontaine, P. (2020). Sport et technologies numériques: vers de nouvelles expériences spectateur. In M. Desbordes, & C. Hautbois (Eds.), *Management du sports 3.0; Economica* (pp. 245–270).
- Gross, N. (2009). A pragmatist theory of social mechanisms. *American Sociological Review*, 74(3), 358–379.
- Gumparthy, V. P., & Patra, S. (2019). The phenomenon of brand love: a systematic literature review. *Journal of Relationship Marketing*, 1–40.
- Hair, J. F., Black, B., Babin, B., Anderson, R. E., & Tatham, R. L. (2006). *Multivariate data analysis* (6th ed.). Prentice Hall.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate data analysis. International Journal of Pharmaceutics*, 131. Pearson Education Limited.
- Harmeling, C. M., Moffett, J. W., Arnold, M. J., & Carlson, B. C. (2017). Toward a theory of customer engagement marketing. *Journal of the Academy of Marketing Science*, 45, 312–335.
- He, H., & Li, Y. (2011). CSR and service brand: the mediating effect of brand identification and moderating effect of service quality. *Journal of Business Ethics*, 100(4), 673–688.
- Heding, T., Knudtzen, C. F., & Bjerre, M. (2020). *Brand management: Mastering research, theory and practice* (3rd ed.). Routledge.
- Heere, B., & Dickson, G. (2008). Measuring attitudinal loyalty: Separating the terms of affective commitment and attitudinal loyalty. *Journal of Sport Management*, 22, 227–239.
- Hill, J. S., & Vincent, J. (2006). Globalisation and sports branding: The case of Manchester United. *International Journal of Sports Marketing and Sponsorship*, 7(3), 61–78.
- Hognestad, H. K. (2006). Transnational passions: A statistical study of Norwegian football supporters. *Soccer and Society*, 7(4), 439–462.
- Hunt, K. A., Bristol, T., & Bashaw, R. E. (1999). A conceptual approach to classifying sports fans. *Journal of Services Marketing*, 13(6), 439–452.
- Iglesias, O., Ind, N., Alfaro, M. (2017). The organic view of the brand: A brand value cocreation model. In: J. M. T. Balmer, S. M. Powell, J. Kernstock, & T. O. Brexendorf (Eds.), *Advances in corporate branding journal of brand management: Advanced collections*. Palgrave Macmillan.
- IMIST. (2024). *Portail des Revues Scientifiques Marocaines*. Retrieved from <https://revues.imist.ma/>
- Ind, N., Iglesias, O., & Schultz, M. (2013). Building brands together. *CA Management Review*, 55(3), 5–26.
- Jones, I. (1997). A further examination of the factors influencing current identification with a sports team, a response to Wann et al. (1996). *Perceptual and Motor Skills*, 85(1), 257–258. Available at <https://www2.deloitte.com/uk/en/pages/sports-business-group/articles/deloittefootball-money-league.html>
- Jones, D., Bridge, T., Boor, S., Bosshardt, A., Green, M., Hanson, C., Savage, J., Shaffer, A., & Winn, C. (2016). *Deloitte*. Top of the Table Football Money League, Sports Business Group, Manchester.
- Kapferer, J. N. (2002). Is there really no hope for local brands? *The Journal of Brand Management*, 9(3), 163–170.
- Karjaluoto, H., Munnukka, J., & Kiuru, K. (2016). Brand love and positive word of mouth: the moderating effects of experience and price. *The Journal of Product and Brand Management*, 25(6), 527–537.
- Kerr, A. K., & Emery, P. R. (2011). Foreign fandom and the Liverpool FC: a cyber-mediated romance. *Soccer & Society*, 12(6), 880–896.

- Kerr, A. K., & Gladden, J. M. (2008). Extending the understanding of professional team brand equity to the global marketplace. *International Journal of Sport Management and Marketing*, 3(1/2), 58–77.
- Kerr, A. K., & Emery, P. R. (2016). Beyond Tippekampen: The origins and maintenance of Scandinavian support for the Liverpool FC. *Soccer and Society*, 17(4), 512–526.
- Kim, W., Jun, H. M., Walker, M., & Drane D. (2015). Evaluating the perceived social impacts of hosting large-scale sport tourism events: Scale development and validation. *Tourism Management*, 48, 21–32.
- Koutaya, A., Koutaya, Y., Hassan, F. (2020). La communication digitale des clubs professionnels de football marocains: une étude exploratoire. *International Journal of Business and Technology Studies and Research*, 2(4), 1–11.
- Lemon, K. N., Verhoef, P. C. (2016). Understanding customer experience throughout the customer journey. *Journal of Marketing*, 80(6), 69–96.
- Liu, C. R., Wang, Y. C., Chiu, T. H., & Chen, S. P. (2018). Antecedents and outcomes of lifestyle hotel brand attachment and love: The case of Gen Y. *Journal of Hospitality Marketing and Management*, 27(3), 281–298.
- Macinnis. (2009). *Handbook of brand relationships* (1st ed.). M.E. Sharpe.
- Madrigal, R., & Chen, J. (2008). Moderating and mediating effects of team identification in regard to causal attributions and summary judgments following a game outcome. *Journal of Sport Management*, 22, 717–733.
- Manoli, A. E. (2022). *Strategic brand management in and through sport*. Loughborough University.
- Manthiou, A., Juhee, K., Sunghyup, S. H., Xiao Xiao, F. (2018). The impact of brand authenticity on building brand love: An investigation of impression in memory and lifestyle congruence. *International Journal of Hospitality Management*, 75, 38–47.
- Markelz, M. (2017). *The secret to loyal customers* (pp. 8–9). Marketing News, AMA. Available at [www.ama.org/events-training/Conferences/Pages/secret-loyal-customers.aspx](http://www.ama.org/events-training/Conferences/Pages/secret-loyal-customers.aspx)
- Marquette, M. F., Pinto, M., Grohmann, M. Z., & Battistella, L. F. (2017). Knowing the fans behaviour in relation to love of football clubs brands. *Brazilian Business Review*, 14(3), 272–287.
- Martin, V. F., Toledo, L. D., & Palos-Sanchez, P. (2020). How deep is your love? Brand love analysis applied to football teams. *International Journal of Sports Marketing and Sponsorship*, 21(4), 669–693.
- McCarthy, J., Rowley, J., Jane Ashworth, C., & Pioch, E., (2014). Managing brand presence through social media: the case of UK football clubs. *Internet Research*, 24(2), 181–204.
- Medias24. (2018). *La transformation des clubs de foot en sociétés sportives: fin du délai, les retardataires risquent l'exclusion des compétitions*. Retrieved from: <https://medias24.com/2018/09/06/transformation-des-clubs-de-foot-en-societes-sportives-fin-du-delai-les-retardataires-risquent-l'exclusion-des-competitions-2543/>
- Melnick, M. J., & Wann, D. L. (2011). An examination of sport fandom in Australia: socialization, team identification, and fan behavior. *International Review for the Sociology of Sport*, 46(4), 456–470.
- Milligan, A. (2009). Building a sports brand. *Journal of Sponsorship*, 2(3), 231–242.
- Minh, T. H. L. (2019). *Brand fanaticism: Scale development*. Ph.d. Thesis University of Queensland, Australia
- Mody, M., & Hanks, L. (2020). Consumption authenticity in the accommodations industry: The keys to brand love and brand loyalty for hotels and Airbnb. *Journal of Travel Research*, 59(1), 173–189.
- Morris, D., & Groves, D. L. (1997). A typology for the understanding of structure and function of a sports industry: A case study of NASCAR. *Visions in Leisure and Business*, 16(2), Article 3.
- Mullin, B. J., Hardy, S., & Sutton, W. A. (2007). *Sport marketing* (3rd ed., pp. 1–23). Human Kinetic Publishers.
- Palazon, M., Sicilia, M., & Delgado, E. (2014). El papel de las redes sociales como generadoras de 'amor a la marca'/the role of social network sites in generating 'brand love, *Universia Business Review*, 18–39.

- Parganas, P., Anagnostopoulos, C., & Chadwick, S. (2015). You'll never tweet alone: Managing sports brands through social media. *Journal of Brand Management*, 22(7), 551–568.
- Pifer, N. D., Mak J. Y., Bae, W., Zhang, J. J. (2015). Examining the relationship between star player characteristics and brand equity in professional sport teams. *Marketing Management Journal*, 25(2), 88–106.
- Pimentel, R. W., & Reynolds, K. E., (2004). A model for consumer devotion: Affective commitment with proactive sustaining behaviors. *Academy of Marketing Science Review*, 5, 1–45.
- Playe, F. (2014). *La collaboration dans les équipes sportives : le lien entre la cohésion perçue, l'ambiguïté du rôle et la structure perçue de l'équipe*. Thèse de master.
- Prayag, G., Mills, H., Lee, C., & Soscia, I. (2020). Team identification, discrete emotions, satisfaction, and event attachment: A social identity perspective. *Journal of Business Research*, 112, 373–384.
- Rein, I., Kotler, P., & Shields, B. (2006). *The elusive fan: Reinventing sports in a crowded marketplace*. McGraw-Hill.
- Richelieu, A. (2012). The internationalization of sports teams as brands. In M. Desbordes & A. Richelieu (Eds.), *Global sport marketing: Contemporary issues and practice* (pp. 28–46). Routledge.
- Richelieu, A. (2013). Strategic management of the brand in the world of sport. *Journal of Brand Strategy*, 2(4), 403–415.
- Richelieu, A., & Boulaire. (2005). A post modern conception of the product and its applications to professional sports. *International Journal of Sports Marketing and Sponsorship*, 7(1), 17–28.
- Richelieu, A., & Desbordes, M. (2009). Football teams going international—the strategic leverage of branding. *Journal of Sponsorship*, 3(1), 10–22.
- Richelieu, A., Lopez, S., & Desbordes, M. (2008). The internationalisation of a sports team brand: The case of European soccer teams. *International Journal of Sports Marketing and Sponsorship*, 10(1), 29–44.
- Richelieu, A., & Pons, F. (2006). Toronto Maple Leafs vs Football Club Barcelona: How two legendary sports teams built their brand equity. *International Journal of Sports Marketing and Sponsorship*, 7(3), 231–250.
- Ringle, C. M., Wende, S., & Becker, J. M. (2015). *SmartPLS 3*. SmartPLS GmbH.
- Rivera Camino, J., & Molero Ayala, V. (2012). *Marketing Y Futbol, ESIC*, Madrid.
- Roberts, K. (2005). *Loveemarks, the future beyond brands*. Powerhouse books.
- Rohra, D., & Sharma, D. (2016). Qualitative study on brand passion: The role of admiration and experience. *South Asian Journal of Management*, 23(2), 90–108.
- Ross, S. D. (2006). A conceptual framework for understanding spectator-based brand equity. *Journal of Sport Management*, 20(1), 22–38.
- Roy, S. K., Eshghi, A., & Sarkar, A. (2013). Antecedents and consequences of brand love. *Journal of Brand Management*, 20, 325–332.
- Shank, M. D. (2009). *Sports marketing: A strategic perspective*. Pearson Prentice Hall.
- Shilbury, D., Phillips, P., Karg, A., & Rowe, K. (2017). *Sport management in Australia: An organizational overview* (5th edn.). Sports Market 2021—By Type (Spectator Sports, Participatory Sports), By Revenue Source (Tickets, Media Rights, Sponsorship, Merchandising), And By Region, Opportunities And Strategies—Global Forecast To 2030, extrait de. <https://www.thebusinessresearchcompany.com/report/sportsmarket#:~:text=Sports%20Market%20Size,a%20rate%20of%20%2D15.4%25>
- Shuv-Ami, A., Pappasolomou, I., & Vrontis, D. (2018). The antecedents and consequences of Loveemarks: A study of the attitudes and perceptions of football club fans. *Global Business and Economics Review*, 20(5/6), 612–633.
- Shuv-Ami, A. (2016). Brand commitment to football teams: A multidimensional scale. *Advances in Economics and Business*, 4(5), 250–260.
- Statista. (2024). *Total revenue of FIFA from 2015 to 2023*. Retrieved from <https://www.statista.com/statistics/268873/revenue-of-the-football-association-fifa/>

- Su, C. T., & Parham, L. D. (2002). Case report—generating valid questionnaire translation for crosscultural use. *American Journal of Occupational Therapy*, 56(5), 581–585.
- Sutton, W. A., McDonald, M. A., Milne, G. R., & Cimperman, J. (1997). Creating and fostering fan identification in professional sport. *Sport Marketing Quarterly*, 6(1), 15–22.
- Swanson, S. R., Gwinner, K. P., Larson, B. V., & Janda, S. (2003). Motivations of college student game attendance and word-of-mouth behavior: the impact of gender differences. *Sport Marketing Quarterly*, 12, 151–162.
- Swimbergh, K. R., Astakhova, M., & Wooldridge, B. R. (2014). A new dualistic approach to brand passion: harmonious and obsessive. *Journal of Business Research*, 67(12), 2657–2665.
- Tavormina, A. L. (2013). *The empirical validation of the sport brand love model in professional sports*. Ph.d. thesis.
- The Visual Capitalist. (2023). *Ranked: The world's most valuable football club brands*. Retrieved from: <https://www.visualcapitalist.com/most-valuable-football-club-brands/>
- Thomson, M. (2005). The ties that bind: Measuring the strength of consumers' emotional attachments to brands. *Journal of Consumer Psychology*, 15(1), 77–91.
- Trzcinska, M. M. (2017). *What are the antecedents and outcomes of strong global sports team brands? A Polish fan perspective*. Ph.d. thesis, Coventry University.
- Underwood, R., Bond, E., & Baer, R. (2001). Building service brands via social identity: Lessons from the sports marketplace. *Journal of Marketing Theory and Practice*, 9(1), 1–13.
- Urrutia, I., Robles, G., Kase, K., & Marti, C. (2008). The internationalization of Club Atlético de Madrid S.A.D.: Creating value beyond borders, a differential strategy. In S. Chadwick, & Arthur, D. (Eds.), *International cases in the business of sport* (pp. 205–221). Butterworth-Heinemann.
- Vale, L., & Fernandes, T. (2018). Social media and sports: Driving fan engagement with football clubs on Facebook. *Journal of Strategic Marketing*, 26(1), 37–55.
- Van Der Westhuizen, L.-M. (2018). Brand loyalty: Exploring self-brand connection and brand experience. *Journal of Product & Brand Management*, 27(2), 172–184.
- Veloutsou, C., & Guzman, F. (2017). The evolution of brand management thinking over the last 25 years as recorded in the Journal of Product and Brand Management. *Journal of Product and Brand Management*, 26(1), 2–12.
- Wakefield, K. L. (2007). *Team sports marketing*. Elsevier ButterworthHeinemann.
- Wakefield, K. L., & Sloan, H. J. (1995). The effects of team loyalty and selected stadium factors on spectator attendance. *Journal of Sport Management*, 9(2), 153–172.
- Wallace, E., Buil, I., & Chernatony, L. (2014). Consumer engagement with self-expressive brands: Brand love and WOM outcomes. *Journal of Product and Brand Management*, 23(1), 33–42.
- Wann, D. L., Frederick, G., Zapalac, R., & Dale, P. (2008). Motivational profiles of sport fans of different sports motivational profiles of sport fans of different sports. *Sport Marketing Quarterly*, 17.
- Wann, D. L., & Branscombe, N. R. (1990). Die-hard and fair-weather fans: Effects of identification on BIRGing and CORFing tendencies. *Journal of Sport and Social Issues*, 14(2), 103–117.
- Westerbeek, H., & Smith, A. (2003). *Sport business in the global marketplace*. Palgrave.
- Wood R. (2024). *Sport in Morocco*. Topend Sports Website. Retrieved from <https://www.topendsports.com/world/countries/morocco.htm>,
- Wood, L. (2000). Brands and brand equity: Definition and management. *Management Decision*, 38(9), 662–669.
- Yoshida, M., Gordon, B., Heere, B., & James, J. D. (2015). Fan community identification: An empirical examination of Its outcomes in Japanese professional sport. *Sport Marketing Quarterly*, 24, 105–119.

**Mohammed Hassouni** is Professor of Marketing at Ibn Tofail University, holds a Bachelor's Degree in Business Administration, and a Master of Business Administration from Al Akhawayn University of Ifrane as well as a Ph.D. in Management from group ISCAE Casablanca. His research interests are centered around the topics of customer empowerment and sport marketing.

He is fluent in both French and English. His works have been published, and presented in international journals and conferences. Presently, he teaches graduates and undergraduate courses in the field of marketing, sport management, and statistics, in the institute of sport careers of Kenitra (Institut des métiers du Sport).

**Lamia El Amrani** is Professor of Marketing at the Faculty of Economics, Law and Social science of Souissi, Rabat, holds a bachelor's degree in management from the Faculty of Economics, Law and Social Science of Agdal, Rabat, a master's degree in Marketing Management from the Faculty of Economics, Law and Social Science of Souissi, Rabat, and a PHD in Management from The National School of Business and Management of Tangier. Her research interests are centered around sport marketing, digital marketing, place marketing, and logistics. Her works have been published and presented in international journals and conferences. She currently teaches undergraduate and graduate courses in discipline such as marketing, management, logistics and Spanish.

**Maha Bendahmane** is Professor of Marketing at the Faculty of Economics, Law and Social science of Souissi, Rabat, holds a bachelor's degree in Management and a master's in Marketing Management from The Faculty of Economics, Law and Social Science of Souissi, Rabat, and a Ph.D. in Management from The Faculty of Economics, Law and Social Science of Salé. Her works have been published, and presented in international journals and conferences. Her research interests are focused essentially on place marketing, and the touristic sector. She currently teaches undergraduate and graduate courses in the field of management, marketing, and entrepreneurship

# Glass Ceiling Influence on the UAE Women's Professional Development: A Crystalized Exposition



Rajasekhara Mouly Potluri, Raghuveer Katragadda, and Hari Babu Bathini

**Abstract** The aim of this research paper is to evaluate and analyze the impact of the glass ceiling phenomenon on the career advancement of female employees in the United Arab Emirates. The study collected data from 490 individuals and used Microsoft Excel and R Studio for analysis. The variables were simplified and transformed using the principal component analysis (PCA) and one-hot encoding method. The collected data was summarized, coded, and verified to ensure accuracy and consistency. The Kruskal–Wallis Hypotheses technique was used to analyze the selected hypotheses. The study found that various organizational and situational factors significantly affect women's career advancement in the UAE. Moreover, 79.59 % of female employees in the education and banking sectors of Dubai and Sharjah strongly agreed that glass ceiling factors hinder their career progression. This research is the first to address the glass ceiling factors that impact the career advancement of female employees in these two sectors of the economy.

**Keywords** Glass ceiling · Women · Principal component analysis (PCA) · One-hot encoding method · Kruskal–Wallis (K-W) technique · UAE

## Introduction

The woman is a beautiful creation, radiating innocence, warmth, passion, and divinity and blessing the world in many forms, like a daughter, sister, friend, beloved wife, mother, and grandmother. With a steadfast commitment, keeping in mind the multiple responsibilities toward their loved ones, women are ready to dedicate themselves to

---

R. M. Potluri (✉) · R. Katragadda  
Department of Business Management, V. R. Siddhartha Engineering College, Vijayawada, Andhra Pradesh 520007, India  
e-mail: [prmouly24@gmail.com](mailto:prmouly24@gmail.com)

H. B. Bathini  
Department of Management Studies, VFSTR Deemed to Be University, Vadlamudi, Guntur, Andhra Pradesh 522213, India

their professional and personal errands because of the persistent increase of inflation, the establishment of micro-level families, urbanization, intention to provide quality lifestyle to their children, and so on. In sharing the family's personal, social, and economic responsibilities, the woman is the most substantial part of a man's life.

Women possess numerous competitive strengths that surpass those of their male counterparts. These strengths include intuition, patience, emotional focus, compassion, vivacity, adaptability, and networking ability, to name just a few. Women play a vital role in the lives of those around them, and with their unwavering dedication, they construct a bulwark of support for their loved ones. Given women's holistic, 360-degree role, society and the corporate world should recognize and respect their contributions by offering equal opportunities based on their qualifications, experience, knowledge, and technical, conceptual, human, and diagnostic skills. This is especially important for women and other minority sections of society. Doing so ensures that women are rightfully acknowledged for their committed, audacious, and unwavering efforts.

Gender discrimination continues to be a debated issue despite the rise of globalization and equal employment opportunities. Although women have obtained many corporate positions, they remain underrepresented in higher leadership positions. The world needs equal opportunities for women to participate in political, economic, and public decision-making. Even with increased participation in education and the workforce, women still face obstacles in reaching higher career positions, a metaphor referred to as the "glass ceiling" in the corporate world.

The "glass ceiling" is generally a transparent natural hindrance preventing women from climbing the corporate ladder. These barriers are different from formal barriers such as experience or education criteria. Some invisible barriers are sex differentiation, sexual harassment, or job segregation (Lekshmi Priya, 2019). Apart from these responsibilities at home, the availability of more career promotion opportunities for men, gender prejudice, male dominance, negative attitude in the business environment, irregular family life, lack of deserved promotions and seniority, not rewarding of achievement, and limited training were the factors causing barriers for women (İmadođlu et al., 2020). These challenges result in reduced motivation, more job strain, reduced job engagement, increased job satisfaction, and increased intention to quit (Babic & Hansez, 2021). It also often restricts career opportunities to lower management roles (Bindu, 2022; Reshma et al., 2023; Weerawardane et al., 2022).

The existing studies highlighted that the glass ceiling is among the prevalent concepts in corporate organizations. The factors leading to this glass ceiling are not restricted to some personal aspects. Still, they can be caused by situational, organizational, or societal aspects that impact women's professional development. Although existing studies have highlighted the glass ceiling factors, the approach of significant studies has been broader, i.e., for a particular field, the overall world, or some Asian regions. Limited studies have explored the concept of its prevalence in the UAE. To this end, it has formulated many policies to promote every woman's equal rights (Ministry of Foreign Affairs, 2023; TDRA, 2023). Identifying the factors contributing to the glass ceiling can help the government develop better strategies to support women and overcome this barrier. This research can also help the government



design policies that encourage organizations to create a welcoming and supportive working environment for both men and women. Therefore, this study is crucial in bridging the gender gap and improving the status of women in the corporate world.

The main focus of this paper is to answer the following research question: What are the various factors that prevent women in the UAE from advancing in their careers? The researchers conducted a comprehensive literature review to identify the different factors that obstruct career growth worldwide. They then established a connection between these factors and the glass ceiling situation in the UAE by gathering opinions from 500 women in the education and banking sectors.

## Literature Review

During the 1990s and 2000s, women in Asia, the Middle East, and Africa showed a significant increase in their involvement in professional work compared to their Western counterparts. This trend is particularly noticeable in Asia, which boasts the highest rate of women's worldwide participation in the labor force. This is due primarily to the growing trend of literacy in the region. Women in these areas have acquired higher education qualifications, making them eligible for future managerial positions. According to a 2008 study by Rowley & Vimolwan, the corporate world anticipates a significant increase in the number of Asian women occupying managerial and executive positions in the forthcoming decades. However, on average, Asian women are 70 % less likely than men to be part of the workforce. This percentage varies from 3 to 80% across different countries, and this gender gap persists despite economic growth, declining fertility rates, and an increase in education levels. These findings were reported by the Asian Development Bank in 2015. Due to several impediments, the International Labor Organization (ILO) highlighted the challenges women face in reaching high-level positions, such as CEOs and board members. Studies show that women face the glass ceiling in higher job positions, particularly in Asian countries (Pai & Vaidya, 2009). It is worth noting that the most populated countries in the world, including China, India, and most Asian countries, have taken extensive measures in recent decades to improve women's participation in management in both public and private sector organizations.

### *Glass Ceiling in Different Parts of the Globe*

Tribal affiliations and patriarchy are prevalent in Emirati society, but the government has taken measures to empower women. As a result, more women are now participating in the workforce and dominating higher education. A study conducted in 2010 by Omair identified four types of career development for women in the UAE: progressive, moderate, idealistic, and facilitated. The first two types suit middle-class families, while the latter are designed for the upper class. In the UAE, social



connections, or “wasta,” are crucial in women’s career development. Family support is also essential for most women to advance in their professions, but it can hinder their career growth for some. According to a study, women are often confronted with gender-based obstacles that prevent them from progressing in their careers. Women in Bahrain face limited education, work policies, and work-life balance, creating a glass ceiling that hinders career growth (Pillai et al., 2011). On the other hand, Iraqi women encounter different challenges. Certain groups of people could be better represented in high-paying jobs. This is because of inadequate security measures, unstable working conditions, limited work opportunities, and a lack of respect for workplace traditions and customs. As a result of these barriers, these individuals are often only able to work in a few specific fields, which suggests that a “glass ceiling” prevents them from advancing in their careers (Looney, 2005).

Despite an increase in female labor force participation, social and cultural barriers still hinder women’s employment in Jordan (Miles, 2002). While some believe that family issues do not hinder Jordanian women’s employment (Al-Manasra, 2013), male-dominated organizational cultures may limit women’s advancement to top positions due to a perceived lack of leadership ability. In Oman, women are encouraged to work collaboratively with their male colleagues (Goveas & Aslam, 2011). However, several barriers prevent women from reaching top positions in the workplace. Some of these barriers include a conservative mindset prevalent among Arab men, women’s inferior self-image, a lack of structured human resource policies and strategies for female workers, the absence of professional women’s network, and work-family conflicts. Since the 1980s, Israeli women have been joining the workforce, but they primarily work in the service sector and clerical jobs, which generally have lower average income. Studies have shown that women in organizations who possess similar skills as men are often denied opportunities for career advancement, revealing the presence of a glass ceiling (Lerner et al., 1997). However, it is worth noting that Israel is a leader in gender equality in Asia, with the highest representation of women on boards (ILO, 2015). In Iran, there is still a glass ceiling for women. However, it is less severe compared to other Asian countries with lower levels of gender equality and no affirmative action legislation. Various global and local factors contribute to Iran’s glass ceiling. The country’s leaders are considering implementing measures to encourage more women to attain higher positions. (Ghorbani & Tung, 2007).

In Southeast Asia, it is common for women to take care of their children while the men work outside to provide for the family. Although this dynamic is still prevalent in rural areas, men and women both work in cities due to the high cost of living. However, in recent years, there have been noticeable changes in the perception of women in professional careers in this region, particularly in the new millennium. In recent years, there has been a shift in gender roles in certain countries. Women in Afghanistan are now working outside their homes to support their families, while more men are rejecting beliefs that promote the idea of male superiority and dominance. In India, there has been a noticeable increase in the number of women in professional jobs over the past few decades, even in previously male-dominated roles. However, despite having advanced education, many women in India still need to be expanded to lower management positions due to societal norms. Additionally, many families

still consider a woman's income supplementary to her male counterpart's. However, over the last five years, India has seen a fundamental shift in attitudes toward women in the workplace. This is due to a combination of factors, including the lack of quality human resources, a change in managerial attitudes, and the strict implementation of India's reservation policy for women.

Jain and Mukherji's (2010) study has highlighted that Indian organizations continue to uphold gender stereotypes and male-dominant attitudes that obstruct women's career growth. According to Ismail (2012), Pakistani women face a glass ceiling that impedes their societal progress. However, different Pakistani organizations respond differently to this issue. While Imam and Shah (2013) argue that glass ceiling practices or gender discrimination do not affect organizational commitment, Dost et al. (2012) found that employee involvement increases in some organizations as the glass ceiling decreases. In Bambuwela and Alwis (2013) conducted a study in Sri Lanka that discovered a moderate correlation between the glass ceiling and women's career development. Various individual, family, and organizational cultural factors influence women's career development. In Bangladesh, a study revealed that women employees have acknowledged the presence of a glass ceiling in their organizations. Factors like management perception, work environment, organizational policy, and work-life conflict play a crucial role in creating a glass ceiling in organizations in Bangladesh (Afza & Newaz, 2008). Despite significant economic growth, many East Asian countries are still struggling with gender inequality. In China, women are often limited to lower positions in the workforce and earn less than men. Additionally, they need more opportunities to advance to higher positions (Yang, 2011). Women tend to drop out of the labor market earlier than men, have lower levels of education, and occupy lower positions in various industries (Guoying, 2011).

All business organizations need to support the career development of women and other minority groups by improving their working conditions and reducing their psychological stress. This will lead to significant benefits for everyone involved. However, in Japan, these needs are not yet fully met, making career development opportunities accessible to only a few people (Honda-Howard & Homma, 2001). According to Kang and Rowley's (2005) study, gender stereotypes in South Korea negatively impact women's opportunities for career development. According to the study, working women with family responsibilities are ambitious but make compromises to balance their career and family duties.

Based on a study by Lee and Cheon in (2009), women in South Korea desire more policies to help them balance their work and personal lives. On the other hand, North Korea has seen a rise in the significance of women's work since the breakdown of the socialist economy in the 1990s. This has resulted in more lucrative job opportunities for women in North Korea than South Korea, as stated in Lankov and SeokHyang's (2014) research. In most East Asian countries, women's involvement in the labor market has considerably increased in recent years. However, in China, the impact of market forces has resulted in adverse effects on women's employment. As Yoon (2015) discovered, Japanese women have achieved the highest level of participation in the labor market, even in the face of opposition. However, significant involvement in the labor market often comes at the cost of sacrificing gender equality. On the other

and, Korean women have resumed their professional careers after taking breaks in their 30 s. This has resulted in a significant difference in earnings between genders. However, in places like Singapore and Malaysia, a lack of professional development opportunities for women managers confirms the existence of the glass ceiling. A study by Dimovski et al., (2010a, 2010b) on corporate culture, climate, and practices supports the glass ceiling theory. In Thailand, women face various impediments to professional progression, including individual, interpersonal, organizational, and social factors. Similarly, in other Asian countries, a woman's success is often related to her personal qualities, family support, and ability to build interpersonal relations with superiors, peers, and subordinates through extensive networking.

### ***Theoretical Framework***

Numerous metaphors have been created to depict various obstacles women face in their career advancement, such as the glass ceiling, glass cliff, maternal wall, glass escalator, and sticky floor. These metaphors are relevant to different circumstances. For instance, the maternal wall and the motherhood penalty refer to mothers' unique workplace challenges. On the other hand, the glass escalator refers to the advantages men have over women in female-dominated occupations. Lastly, the glass cliff refers to appointing women to leadership positions when organizational conditions are precarious. In her book "Lean In" published in (2013), Sheryl Sandberg introduced two metaphors that describe career advancement in the workplace. Three metaphors can help us understand the different ways people can achieve high positions in their professional careers. The first metaphor is the "career ladder," which suggests a single, vertical path to success. The second metaphor is the "jungle gym," which implies lateral and upward movement opportunities in a career. The third metaphor is the "glass ceiling," a well-known expression highlighting the barriers and obstacles women face in their professional careers. This metaphor was coined by Marilyn Loden in 1978, and it is still widely used in academic and professional circles today. The Wall Street Journal of April 3, 2015, reported that Marianne Schriber and Katherine Lawrence broke the glass ceiling at Hewlett-Packard.

In 1986, Carol Hymowitz and Timothy Schechellhardt introduced the term "glass ceiling" in the Wall Street Journal. The glass ceiling is an invisible barrier preventing women from reaching senior management positions or finding employment in some organizations. It is a way of describing the symbolic aspects of discrimination against women. It is clear that the term "glass ceiling" has gained widespread acceptance since the establishment of the bipartisan Glass Ceiling Commission in 1991. The commission was tasked with investigating biases that prevented the advancement of women and minorities to corporate management positions and providing recommendations on how to eliminate the glass ceiling (Federal Glass Ceiling Commission 1995). The term "glass ceiling" was officially defined by the United States Federal Glass Ceiling Commission in 1995. This term refers to an invisible yet significant obstacle that hinders women and minorities from reaching high-ranking positions

in the corporate world, irrespective of their qualifications or achievements. Several studies have defined the glass ceiling as an intangible barrier that restricts the progress of women and underrepresented minority groups within a company. Some of these studies were conducted by Albrecht et al. (2003), Arulampalam et al. (2007), and Pendakur and Pendakur (2005).

### ***The Backdrop of the Glass Ceiling***

In the context of the UAE, researchers Syed, and the researchers have chosen Özbilgin's (2009) relational approach to look at the experiences of disadvantaged groups, including women. Women face various social roles, needs, and problems that are different from men in today's society. According to Turkish researchers Rahbari and Sharepour (2015), several studies have identified several reasons that hinder women's career success. Women face several challenges when it comes to advancing to leadership positions. These challenges include the need for a proper promotion system for management, balancing managerial careers with family life, reluctance to relocate, and gendered stereotypes that prevent women from assuming decision-making roles. The concept of the glass ceiling, which refers to the invisible barriers preventing women from reaching the top positions in their field, can be explained through six theories: social role, organization/situation, interaction, person-centered, human capital, and preference theories. The glass ceiling is a well-known phenomenon in which women face obstacles in reaching higher positions in their careers. Turkish researchers Rahbari and Sharepour (2015) have identified reasons for this, including the lack of a proper promotion system, difficulty balancing work and family life, reluctance to relocate, and gendered stereotypes that prevent women from taking decision-making roles (Hunt & Rasmussen, 2010). Six theories have been developed to understand this issue better: person-centered, social role, organization/situation, interaction, human capital, and preference theories (Hakim, 2006; Kiaye & Singh, 2013). These theories explain the factors that contribute to the glass ceiling, and researchers have chosen to conduct exploratory research on these six types of factors. It is important to note that women face different social roles, needs, and problems than men, which can hinder their career success.

To enable women to make meaningful contributions and work collaboratively toward desired outcomes, organizations must establish a supportive corporate culture that allows them to work with flexible schedules. According to Cooper Jackson's, 2001 research, corporate culture poses a significant obstacle to women's career advancement. Functional old-boys networks in most male-dominated organizations exclude women entirely, and practices such as networking, mentoring, flexible working hours, and family-friendly initiatives reinforce the glass ceiling in Singapore organizations, as reported by Dimovski et al. in 2010. Women with high career self-efficacy are more likely to achieve their professional goals, while those with low self-efficacy may face difficulties making progress. In societies that prioritize masculine traits, gender inequality is more evident, and equal opportunities are scarce. As

a result of unfavorable work environments, many women need encouragement to develop their self-efficacy. As women advance in their careers, they will likely face more challenges. For instance, Looney (2005) identified three major obstacles to career progression for Iraqi women: stability, work opportunities, and lack of security. In Thailand, female employees face various barriers to career advancement, including working with superiors, colleagues, subordinates, old-boy networks, and organizational policies (Napasri & Yukongdi, 2015). Women in Bangladesh face challenges such as male dominance in senior roles, workplace harassment, and limited opportunities for challenging projects. Afza and Newaz (2008) identified these factors as the primary reasons why women in Bangladesh face difficulties in advancing their careers. Sexual harassment can take different forms, such as verbal harassment, gestures, or unwanted emails.

Various social factors such as cultural expectations, male-dominated attitudes, traditional beliefs and customs, stereotypical perceptions, a dominant male environment, and societal discrimination significantly affect the career development of women across the globe. Even after seventy years of independence, social norms continue to create obstacles to women's career growth, particularly in India, and hinder the progress of other minority groups due to these social factors.

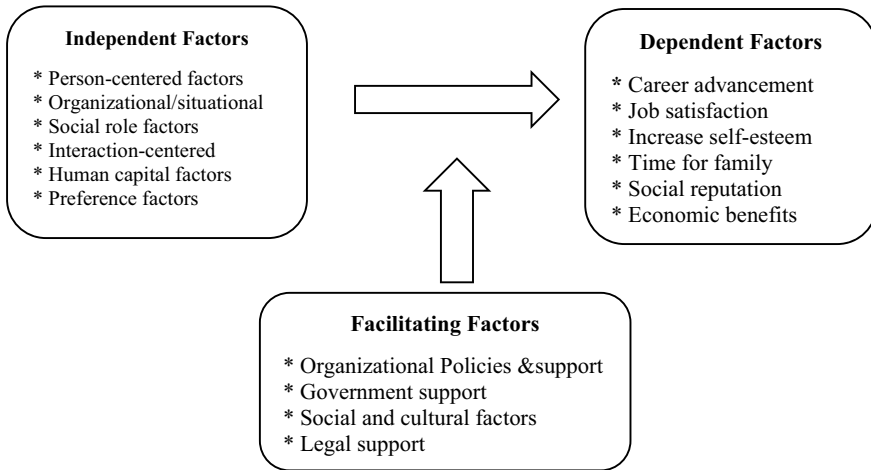
Research has found that women in Jordan and Sri Lanka face social and cultural barriers that impede their professional growth. Similarly, women in Iraq, Lebanon, China, and Thailand face various factors that hinder their career development. The need for more female role models, professional networks, and communication skills is a significant global barrier to women's career growth. Establishing a mentorship between women is essential for acquiring the skills required for leadership and management positions.

Studies have shown that women in Bahrain encounter significant challenges when seeking female role models and professional networking opportunities (Pillai et al., 2011). These women have identified several obstacles that hinder their professional growth, including a lack of prior experience, relevant field experience, required education, and skills. According to the human capital theory, women's representation in management positions results from their investment in education and training. Conversely, the fundamental preference theory suggests that a preference between corporate work and family life may also impact women's career choices (Lathabhavan & Balasubramanian, 2017). Women tend to prioritize family responsibilities more highly than men, which can impact their career progression (Kiaye & Singh, 2013). In Israel, prior experience is crucial in breaking the glass ceiling (Lerner et al., 1997). Bahraini women may face intrinsic barriers to career development if they lack education, skills, or experience (Pillai et al., 2011). Lifestyle preferences play a role in modern societies and should be considered (Hakim, 2006). Women's family responsibilities, societal restrictions, and work-family conflicts are significant obstacles to their career advancement (Alibeli, 2015; Appelbaum et al., 2011; Jogulu & Wood, 2011). Researchers have identified several preference factors that can affect women's career development, such as motherhood, family and social commitments, work-family conflict, childcare, household tasks, other family priorities, non-supportive corporate cultures, gender stereotypes, and women's tendency

to avoid challenges in male-dominated environments. In summary, researchers have identified six primary glass ceiling factors, each with several sub-factors, as shown in Table 1 in this section. The following figure provides a clear overview of the theoretical framework of glass ceiling factors that can impact the career development of women in the UAE (Fig. 1).

**Table 1** Factors considered under glass ceiling study

Glass ceiling factors	Classification of factor for the glass ceiling study
1. Person-centered factors	Goals and motivation: self-esteem, aversion to challenge, lack of enthusiasm for demanding tasks, ambition to lead, helplessness to uphold themselves, lack of confidence, personal traits like being emotional and sensitive
2. Organizational/situational factors	<ul style="list-style-type: none"> <li>• HR policies, timely evaluations, and promotions are crucial for employee development</li> <li>• Lack of security, stability, and work opportunities negatively impact employee motivation</li> <li>• Favoritism toward men creates an unfavorable work environment</li> <li>• Corporate culture and practices should align with the company’s vision</li> <li>• Lack of support mechanisms and unfavorable profiles impact employee morale</li> <li>• Complicated associations and the nonexistence of peer support hinder teamwork</li> <li>• Different styles in management that affect stimulus, satisfaction, and productivity</li> <li>• Policies in the organization should be transparent, fair, and consistent</li> </ul>
3. Factors under social role	Traditional mindsets-beliefs-customs, cultural expectations, patriarchal attitudes, stereotyped gender roles, UAE traditions, and societal prejudice, male-dominant environment
4. Interaction-centered factors	Effect of female role models in higher positions
	Shortage of women role models in the organization
	Absence of a professional women’s network
	Influence of role model
	Deficiency in the opportunity to network
5. Human capital factors	Deficiency in possession of skills, required education, lack of work experience, etc.
6. Preference factors	Family and social commitments, presence of kids and their care, impact of marriage and family, etc.



**Fig. 1** Theoretical framework on glass ceiling factors affecting women's career development in the UAE

### *Selected Hypothesis*

After conducting an extensive literature review and theoretical discussion, the researchers have formulated the following hypotheses:

1. Age significantly affects the career development of women in the UAE.
2. Person-centered factors play a crucial role in the career progression of UAE women.
3. Organizational and situational factors significantly impact UAE women's career advancement.
4. Human capital factors are a significant concern for the career growth of UAE women.

### **Methodology**

This research aimed to investigate the factors that hinder women in the UAE from progressing in their careers. To conduct a thorough study, the researchers believed an exploratory analysis was necessary to establish priorities. After analyzing more than 40 research and review papers, they created a comprehensive theoretical framework and literature review. This framework helped to identify various factors contributing to the glass ceiling phenomenon for women and minorities in the UAE.

### **Measure**

- After an in-depth literature review and developing a theoretical framework, the researchers selected four hypotheses and created a comprehensive questionnaire

of two parts. The first part gathered information about respondents' demographics, while the second part focused on six glass ceiling factors with roughly forty sub-factors. The measurement tools used for each part are outlined below:

- **Demographic**—The demographic section consisted of seven questions: age, marital status, employment sector, emirate of work, total experience, experience with current employer, and professional courses. These questions represent the main demographic characteristics.
- **Inferential**—The inferential section was developed using a five-point Likert scale to measure six factors contributing to the glass ceiling: Social role, organizational/situational, interaction-centered, preference factors, person-centered, and human capital. The detailed list of all elements included for representing the factors is given in Table 1.

### **Sample and Data**

The focus of the study was to have identification of glass ceiling factors for women in the corporate world, so the targeted population of the study was the women working in the banking or education sector and have experience of at least 2 years. The researchers surveyed the opinions of 500 female employees in education and banking using stratified random sampling. The sample size was determined using Cronbach's alpha. The questionnaire was distributed to the respondents using Google Forms, and only 490 questionnaires with complete responses were received. Therefore, the study examined each factor influencing the career based on data from only 490 working women.

### **Data Analysis**

The data was analyzed using R Studio and Excel. To reduce the variables, One-Hot Encoding and PCA techniques were utilized. The K-W method was employed to analyze the hypotheses. Personal interviews were conducted to gain insight into factors affecting career growth, specifically "glass ceiling factors." Dependent variables were also studied. The data was analyzed using Microsoft Excel and R Studio. Variables were encoded and reduced using PCA and One-Hot Encoding, while Kruskal-Wallis was used for testing the hypothesis. Additionally, personal interviews were conducted alongside the questionnaire to gain more insight into the glass ceiling factors that affect career advancement. The researchers also identified dependent variables, such as the factors that hinder respondents' career growth.

### **Results**

This section of the article presents primary data analysis results divided into three categories. The first category includes the demographic profiles of the participants. The second category presents the participants' responses on the factors that affect



**Table 2** Demographic profile of the respondents' percentage ( $N = 490$ )

Demographic variable	Classification	$N = 490$	Respondents %
1. Respondents age (in years)	Age < 33	120	24.49
	Less than 42 and equal or greater than 33	190	38.78
	Equal to or greater than 42	180	36.73
	Total	490	100.00
2. Marital status	Married	440	89.80
	Yet to be married	50	10.20
	Total	490	100.00
3. Employment sector	Education	310	63.27
	Banking	180	36.73
	Total	490	100.00
4. Emirate at work	Dubai	340	69.39
	Sharjah	150	30.61
	Total	490	100.00
5. Total experience (in years)	<10 years of experience	130	26.53
	$\geq 10$ & <15 years of experience	160	32.65
	$\geq 15$ years of experience	200	40.82
	Total	490	100.00
6. Experience with current employer (in years)	<8 years of experience	230	46.94
	$\geq 8$ & <10 years of experience	40	08.16
	$\geq 10$ years of experience	220	44.90
	Total	490	100.00
7. Professional courses attended (in number)	Low (<3)	300	61.22
	Medium ( $\geq 3$ & < 5)	110	22.45
	High ( $\geq 5$ )	80	16.33
	Total	490	100.00

women's career progression in the UAE. Lastly, the third category includes the test outcomes of the four hypotheses (Table 2).

### *Statistical Analysis*

The survey received 490 responses, which were collected and analyzed using the statistical computing tool R Studio and the R language. Before importing the data into

R Studio, Microsoft Excel was partially used to clean the data. The final glass ceiling decision's dependent variable in the data illustrates this research's analysis path. This dependent variable determines the UAE women's final glass ceiling decision; 490 responders participated in this research. Based on the survey conducted in UAE, the final decision variable regarding the glass ceiling is women's career growth. Of the total number of women surveyed, 310 reported that the glass ceiling impacted their professional growth and job search. However, the remaining women, 180 UAE, did not believe that the glass ceiling influenced their careers.

The responders' six questions (regarding various factors such as person-centered, organizational/situational, social role, interaction-centered, human capital, and preference factors) were queried with several options to choose from, as mentioned in Table 1. The survey's categorical data was transformed using One-Hot Encoding, which represents each category as a feature using bits. The data was then analyzed using principal component analysis (PCA) to reduce the dimensions and eliminate unnecessary features. PCA computes new principal components variables to express the data and its variance in a lower-dimensional linear subspace. PCA1 captures significant variation in data. This study represents the highest potential conflict from respondents' categorical options. Researchers used the Kruskal–Wallis test to prove/disprove hypotheses. It compares independent models. The test determined the relationship between the dependent variable (women employees' final decision) and independent variables.

### ***Hypotheses Testing***

Table 3 displays the application of the Kruskal–Wallis test to strengthen the collected data statistically and meaningfully. The resulting *P*-value from this test helps to determine whether the stated hypotheses should be approved or disproved.

The Kruskal–Wallis hypothesis testing was used to determine if certain factors affect women's career growth in the UAE. If the resulting *P*-value is more significant than 0.05, the null hypothesis (*H*<sub>0</sub>) is accepted. However, if the *P*-value is less than or equal to 0.05, the alternative hypotheses (*H*<sub>1</sub>) are supported. The research suggests that organizational and situational factors (*P*-value 0.01) significantly affect women's career growth in the UAE. However, other factors such as social-role (*P*-value 0.86), interaction-centered (*P*-value 0.66), human capital (*P*-value 0.97), preference factors (*P*-value 0.46), person-centered (*P*-value 0.82), and age (*P*-value 0.08) do not significantly impact the final decision. These factors fail to explain women's professional growth or employment choices in the UAE.

**Table 3** Testing of hypotheses

Hypothesis S. No.	Null & alternative hypothesis (H0 & H1)	Test result	Test results interpretation
1	<b>H0:</b> There are no significant differences in career development opportunities for women in the UAE based on age	Chi-squared value: 3.04 <i>P</i> -value: 0.081	The null hypothesis (H0) was not rejected because the <i>P</i> -value was statistically significant (>0.05) Age does not significantly impact career development for women in the UAE
	<b>H1:</b> The age of women significantly impacts their career development in the UAE		
2	<b>H0:</b> Women's career progression in the UAE is not affected by person-centered factors	Chi-squared value: 0.05 and <i>P</i> -value: 0.82	Since the <i>P</i> -value is statistically significant (>0.05), we fail to reject the null hypothesis (H0) Women's career progression in the UAE is not influenced by person-centered factors
	<b>H1:</b> Women's career advancement in the UAE is influenced by factors centered around the individual		
3	<b>H0:</b> Women's career advancement in the UAE is not significantly affected by organizational and situational factors	Chi-squared value: 6.25 and <i>P</i> -value: 0.01	Since the <i>P</i> -value is less than the pre-determined significance level of 0.5, we can reject the null hypothesis (H0) The factors above have a significant impact on the career growth of women employees in the UAE
	<b>H1:</b> Organizational and situational factors significantly influence women's career growth in the United Arab Emirates		
4	<b>H0:</b> Concerns regarding human capital do not significantly hinder career growth for women in the UAE	Chi-squared value: 0.001 and <i>P</i> -value: 0.97	Since the null hypothesis (H0) was not rejected, we can conclude that the <i>P</i> -value is statistically significant (>0.05) Thus, human capital factors do not significantly impact the career growth of UAE women
	<b>H1:</b> Human capital factors greatly influence the professional development of women in the UAE		

## Discussion

The findings of the study contribute toward fulfilling the need of study to define the glass ceiling factors contributing to affecting UAE women's professional development. Many previous studies also explored the influence of the factors. Herein, a study by Azeez and Priyadarshini (2018) revealed that there are many factors like personal, organizational, or societal which influence the career advancement of women but

organizational factors have a major role in it. Alzadjali et al. (2020) have identified various factors that influence women's career development in public and private organizations. These factors include organizational, societal, and personal aspects. The authors have further emphasized that women's career progression is significantly impacted by factors such as promotions, organizational policies, involvement in decision-making, top management support, and organizational culture. Alhalwachi and Mordi (2021) examined the impact of the banking sector only and revealed that organizational aspects like dearth of role models among women, lack of confidence in women's performance, disempowerment, or discrimination and bias are majorly creating a women's career advancement obstacles. Even, Barkhuizen et al. (2022) findings defined lack of mentorship, leadership identity distortion, poor work-life balance, inadequate training and development, masculine corporate culture and societal perceptions and stereotypes as the major factors affecting the career advancement of women in senior leadership roles. All the existing studies' results have been similar to this study's findings by highlighting the major role of organizational factors. However, all these studies were not for the UAE so also defined other factors relevant to impacting women's career development. This case changed when working women of UAE in the banking and education sectors were considered. For the working women of UAE, demographic aspects (age), person-centered factors, and human capital factors did not impact career growth. Thus, this study contributes to expanding the knowledge base for working women and the barriers influencing them.

## **Practical Implications**

The UAE is known for its fair treatment when it comes to providing equal employment opportunities, wages, and rights for both genders, as outlined in Article 32 of the UAE Labor Law. However, various organizational and situational factors hinder women's career advancement, commonly known as the "glass ceiling" in the region. Research indicates that policymakers must review these factors and take appropriate actions to create meaningful and inclusive opportunities for women in their communities.

Women require government support to achieve leadership roles in private and public sectors, including access to constitutional rights, effective judicial laws, and policies promoting gender equality. Employers must provide access to finance and other assets to advance women based on their talents, workload, and efficiencies. Corporations must review HR policies to offer equal employment opportunities and training to help women develop multi-skills. This will increase their confidence levels and unlock their potential. Research findings should prompt policymakers to review gender discrimination policies and implement corrective mechanisms to eliminate discrimination and ensure fair representation in top management.

## Conclusion

In the past thirty-five years, studies have identified the existence of the “glass ceiling” in various countries. Despite cultural, social, economic, traditional, and language differences, women face common barriers to career progression. These barriers can be classified into six categories: social role, organizational, interaction-centered, person-centered, preference factors, and human capital. While previous studies have focused on exploring the glass ceiling concept, in the UAE, there is still a need to increase women’s participation in the labor force despite government efforts. Therefore, it is essential to examine the barriers that hinder the implementation of policies that provide equal opportunities to men and women. This study surveyed women employees in the education and banking sectors in the UAE, Sharjah emirates, and Dubai to gauge their opinions. The study examined six factors and found that organizational/situational factors significantly impact women’s career advancement. Approximately 80% of women employees in these fields stated that they experienced glass ceiling factors affecting their career growth.

The study’s findings suggest that the government must remove obstacles within organizations that impede women’s career advancement opportunities. To achieve this, the government could implement initiatives such as subsidies to organizations that have women in leadership positions, collaborations with organizations to promote women’s employment or the mandatory adoption of policies by organizations that promote remote working facilities for women once a week. These efforts will help reduce organizational barriers and support women in balancing their work and home responsibilities. By implementing these initiatives, the UAE government could control the influence of glass ceiling factors and create an economy that offers equal rights for women in terms of career advancement.

## Limitations and Future Scope

The focus of the study was to examine the perception of women who work in the banking and education sectors in the UAE. However, there are many other sectors, such as IT, where women have limited roles. Due to limited resources, the study only focused on two sectors and one region. Therefore, there is a need to extend this type of research to other emirates in the country. The sample size from the two sectors was 490 due to limited responses. More women from a broader range of sectors need to be included to generalize the results.

The different perceptions highlight the need for further empirical studies in other sectors and areas, such as manufacturing and service sectors. These studies should investigate human resources practices and organizational policies for women in different emirates in the UAE. Researchers should prioritize studying the legislation and government policies that support the career development of women. This includes examining issues related to salary, promotions, and development programs.

It is important to conduct more research on women's career development in other Gulf Cooperation Council (GCC) countries such as Bahrain, Kuwait, Saudi Arabia, Oman, and Qatar to better understand this topic. This research should focus on qualitative and comparative studies with a broader scope. Additionally, conducting extensive pragmatic studies with larger sample sizes on different glass ceiling theories could provide valuable insight into the barriers faced by women in leadership positions.

## References

- Afza, S. R., & Newaz, M. K. (2008). Factors determining the presence of glass ceiling and influencing women career advancement in Bangladesh. *BRAC University Journal*, 5(1), 85–92. <http://hdl.handle.net/10361/408>
- Albrecht, J., Björklund, A., & Vroman, S. (2003). Is there a glass ceiling in Sweden?. *Journal of Labor/Labour Economics*, 21(1), 145–177. <https://doi.org/10.1086/344126>
- Alhalwachi, L., & Mordi, C. (2021). Organisational, societal, and individual factors affecting women's career progression in Bahraini banking sector. *Journal of Sustainable Finance & Investment*, pp. 1–25. <https://doi.org/10.1080/20430795.2021.1922064>
- Alibeli, M. A. (2015). Gender and attitudes toward women in the United Arab Emirates. *Perspectives on Global Development and Technology*, 14(1–2), 109–125. <https://doi.org/10.1163/15691497-12341335>
- Al-Manasra, E. A. (2013). What are the 'glass ceiling' barriers effects on women's career progress in Jordan? *International Journal of Business and Management*, 8(6), 40–46.
- Alzadjali, A., Alyahmadi, B., Alzakwani, E., Alajmi, S., & Porkodi, S. (2020). Glass ceiling effect on women's career development in public and private companies: A comparative study in Oman oil and gas sector. *American Journal of Multidisciplinary Research & Development (AJMRD)*, 2(2), 27–33.
- Appelbaum, S. H., Asham, N., & Argheyd, K. (2011). Is the glass ceiling cracked in information technology? A qualitative analysis: Part 1. *Industrial and Commercial Training*, 43(6), 354–361.
- Arulampalam, W., Booth, A. L., & Bryan, M. L. (2007). Is there a glass ceiling over Europe? Exploring the gender pay gap across the wage distribution. *ILR Review*, 60(2), 163–186.
- Azeez, P.N., & Priyadarshini, R. G. (2018). Glass ceiling factors affecting women career advancement in IT industry in India. In *The 3rd International Conference on Materials and Manufacturing Engineering*. <https://doi.org/10.1088/1757-899X/390/1/012021>
- Babic, A., & Hansez, I. (2021). The glass ceiling for women managers: Antecedents and consequences for work-family interface and well-being at work. *Frontiers in Psychology*, 12(March), 1–17. <https://doi.org/10.3389/fpsyg.2021.618250>
- Barkhuizen, E. N., Masakane, G., Sluis, L. Van Der, Africa, S., & Business, N. (2022). In search of factors that hinder the career advancement of women to senior leadership positions. *SA Journal of Industrial Psychology*, 48(0), 1–15.
- Bindu, N. H. (2022). A study on glass ceiling and its impact on the career development of women at workplace. *IJIRT*, 8(8), 94–98.
- Bombuwela, P., & Alwis, A. A. (2013). Effects of glass ceiling on women career development in private sector organizations—case of Sri Lanka. *Journal of Competitiveness*, 5(2), 3–19.
- Cooper Jackson, J. (2001). Women middle managers' perception of the glass ceiling. *Women in Management Review*, 16(1), 30–41.
- Dimovski, V., Skerlavaj, M., & Man, M. M. K. (2010a). Comparative analysis of mid-level women managers perception of the existence of glass ceiling in Singaporean and Malaysian organizations. *International Business & Economics Research Journal (IBER)*, 9(8), 61–77.

- Dimovski, V., Skerlavaj, M., & Man, M. M. K. (2010b). Is there a 'glass ceiling' for female managers in Singapore organizations? *Managing Global Transitions: International Research Journal*, 8(4), 307–329.
- Dost, M. K., Ur-Rehman, Z., & Tariq, S. (2012). The organizations having a high level of glass ceiling has lower productivity due to lack of employee commitment. *Kuwait Chapter of Arabian Journal of Business and Management Review*, 33(843), 1–11.
- Federal Glass Ceiling Commission. (1995). *A solid investment: Making full use of the nation's human capital: Recommendations of the Federal Glass Ceiling Commission*. US Glass Ceiling Commission
- Ghorbani, M., & Tung, R. L. (2007). Behind the veil: An exploratory study of the myths and realities of women in the Iranian workforce. *Human Resource Management Journal*, 17(4), 376–392.
- Goveas, S., & Aslam, N. (2011). A role and contributions of women in the Sultanate of Oman. *International Journal of Business and Management*, 6(3), 232–239.
- Guoying, W. (2011). Gender comparison of employment and career development in China. *Asian Women*, 27(1), 95–113.
- Hakim, C. (2006). Women, careers, and work-life preferences. *British Journal of Guidance & Counselling*, 34(3), 279–294.
- Honda-Howard, M., & Homma, M. (2001). Job satisfaction of Japanese career women and its influence on turnover intention. *Asian Journal of Social Psychology*, 4(1), 23–38.
- Hunt, V., & Rasmussen, E. (2010). Patterns and motivations of successful women pursuing their careers in New Zealand call centres. *Asia-Pacific Journal of Business Administration*, 2(2), 167–184.
- İmadođlu, T., Kursuncu, R. S., & Çavuş, M. F. (2020). The effect of glass ceiling syndrome on women's career barriers in management and job motivation. *Holistica*, 11(2), 85–99. <https://doi.org/10.2478/hjbpa-2020-0021>
- Imam, A., & Shah, F. T. (2013). Impact of gender bias on organizational commitment: An empirical study of glass ceiling practices in the corporate sector of Pakistan. *Elixir Human Resource Management*, 57(2013), 14111–14115.
- International Labor Organization. (2015). *Women in business and management gaining momentum*. Retrieved 25 December 2019 from [https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms\\_316450.pdf](https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_316450.pdf)
- Ismail, U. (2012). Concept of "glass ceiling" in the print media of Pakistan. *The Journal of the South East Asia Research Centre*, 2, 69–77.
- Jain, N., & Mukherji, S. (2010). The perception of the glass ceiling in Indian organizations: An exploratory study. *South Asian Journal of Management*, 17(1), 23–42.
- Jogulu, U., & Wood, G. (2011). Women managers' career progression: An Asia Pacific perspective. *Gender in Management: An International Journal*, 26(8), 590–603.
- Kang, H. R., & Rowley, C. (2005). Women in management in South Korea: Advancement or retrenchment. *Asia Pacific Business Review*, 11(2), 213–231.
- Kiaye, R. E., & Singh, A. M. (2013). The glass ceiling: A perspective of women working in Durban. *Gender in Management: An International Journal*, 28(1), 28–42.
- Lankov, A., & SeokHyang, K. (2014). Useless men, entrepreneurial women, and North Korea's post-socialism: Transformation of gender roles since the early 1990s. *Asian Journal of Women's Studies*, 20(2), 68–96.
- Lathabhavan, R., & Balasubramanian, S. A. (2017). Glass Ceiling and women employees in Asian organizations: A tri-decadal review. *Asia-Pacific Journal of Business Administration*, 9(3), 232–246.
- Lee, J., & Cheon, B. Y. (2009). Career aspirations of women in corporate management: The case of South Korea. *Asian Journal of Women's Studies*, 15(3), 60–80.
- LekshmiPriya, J. (2019). An investigative study of the glass ceiling effect in relation with gender bias on the career development of women in organizations. *International Journal of Business and Management Invention (IJBMI)*, 8(08), 19–24.

- Lerner, M., Brush, C., & Hisrich, R. (1997). Israeli women entrepreneurs: An examination of factors affecting performance. *Journal of Business Venturing*, 12(4), 315–339.
- Looney, R. (2005). The economics of coping: The plight of women in Iraq's informal economy. *Journal of Social Political and Economic Studies*, 30(3), 285–304.
- Miles, R. (2002). Employment and unemployment in Jordan: The importance of the gender system. *World Development*, 30(3), 413–427.
- Ministry of Foreign Affairs. (2023). *UAE women's rights*. United Arab Emirates. <https://www.mofa.gov.ae/en/The-Ministry/The-Foreign-Policy/Women-rights>
- Napasri, T., & Yukongdi, V. (2015). A study of Thai female executives: Perceived barriers to career advancement. *Review of Integrative Business and Economics Research*, 4(3), 108.
- Pai, K., & Vaidya, S. (2009). Glass ceiling role of women in the corporate world. *Competitiveness Review: An International Business Journal*, 19(2), 106–113.
- Pendakur, K., & Pendakur, R. (2005). *Glass ceilings for ethnic minorities*. Vancouver Centre of Excellence. Retrieved January 18, 2020, from <https://pdfs.semanticscholar.org/c144/0b7801d0928de18568f5462a26cbef15687f.pdf>
- Pillai, K. R., Prasad, S., & Thomas, J. (2011). Why do women still experience downward gravitation in the corporate ladder? A close look at the glass ceiling in Bahrain. *Research & Practice in Human Resource Management*, 19(1), 1–10.
- Rahbari, L., & Sharepour, M. (2015). Gender and realisation of women's right to the city in Tehran. *Asian Journal of Social Science*, 43(3), 227–248.
- Reshma, D., Rahbi, S. A., Harthy, R. A., Hagar, H. A., & Thilaga, S. (2023). A study on effects of glass ceiling on women career development in academia with special reference to HEI's in Ibra. *Open Journal of Social Sciences*, 11, 232–242. <https://doi.org/10.4236/jss.2023.111018>
- Sandberg, S. (2013). *Lean in: Women. Work and the will to lead*. WH Allen.
- Syed, J., & Özbilgin, M. (2009). A relational framework for international transfer of diversity management practices. *The International Journal of Human Resource Management*, 20(12), 2435–2453.
- TDRA. (2023). *Women*. Telecommunication and Digital Government Regulatory Authority. <https://u.ae/en/information-and-services/social-affairs/women>
- Weerawardane, S. D., Vidanage, H., & Maheshika, W. E. P. I. (2022). Effect of glass ceiling on Womens' career development. In *International Research Symposium on Management*.
- Yang, Y. (2011). Gender and engineering career development of hotel employees in China. *Systems Engineering Procedia*, 1, 365–371.
- Yoon, J. (2015). Labor market outcomes for women in East Asia. *Asian Journal of Women's Studies*, 21(4), 384–408.

**Rajasekhara Mouly Potluri** is a professor of management/marketing with thirty-three years of industry/teaching experience in around ten countries. Dr. Raj holds a Ph.D. and M. Phil. in Management/Marketing from Shivaji University, an MBA (Marketing), and a Master of Commerce (Banking) from Andhra University, India. He has published and presented around a hundred and twenty research articles, books, book chapters, and case studies in renowned peer-reviewed journals indexed in Scopus, ABDC, SSCI, IEEE, KCI, and International Conferences and won more than twenty Best Research Paper Awards and academic Service Excellence Awards. In addition to that, Prof. Mouly has extensive teaching and research experience in multi-cultural and multi-ethnic environments in India, Ethiopia, Kazakhstan, South Korea, Nigeria, and the United Arab Emirates. His research interests are marketing, Islamic marketing, CSR, HRM & OB, and entrepreneurship.

**Raghuveer Katragadda** is a sr. assistant professor in the Department of Business Management, V.R. Siddhartha Engineering College, Vijayawada, Andhra Pradesh, India. Dr. Raghuveer, having over 22 years of working experience in both industry and teaching, holds a Ph.D. from Hyderabad Business School, GITAM University and MBA (Finance and International Business) from



M.A.H.E, Manipal and K.G.B.S, New York. He has published and presented over fifty articles, books, and book chapters in peer-reviewed journals indexed in Scopus, Web of Science, ABDC, UGC Care and a certified Scrum master. Dr. Raghuv eer has research experience with cross-functional teams in the areas of capital markets, investments, and analytics.

**B. Hari Babu** is a sr. assistant professor of Department of Management Studies, Vign an's Foundation for Science and Technology (Deemed to be University), Vadlamudi, Guntur Dist., Andhra Pradesh, India with seventeen years of industry/teaching experience. Dr. B. Hari Babu holds a Ph.D. in Management from Acharya Nagarjuna University and MBA from RVR & JC College of Engineering, Acharya Nagarjuna University India. He has published and presented around sixty research articles, books and book chapters in renowned peer-reviewed journals indexed in Scopus, ABDC, WoS, UGC Care and International Conferences. He has extensive teaching and research experience in multi-cultural and multi-ethnic environments in India. His research interests are capital markets, investment management, financial services, etc.

# Impact of Sustainability Mediated by Corporate Governance in Extra Large Size Microfinance Institutions of Bangladesh



Md. Nazim Uddin, A. K. M. Ahasanul Haque, Md. Nuruzzaman, and Lutfun Nahar

**Abstract** This experimental study investigates the correlation between profitability and corporate governance in Bangladeshi MFIs. The study focuses on Bangladesh Microcredit Regulatory Authority (MRA)—classified extra-large MFIs. The research emphasizes the importance of corporate governance (CG) for these enterprises and discusses governance challenges in Bangladesh. STATA-17 is used to do the analysis. MRA, Grameen Bank, and MIX data are evaluated using panel data analysis and regression. The top five Bangladeshi MFIs were surveyed between 2012 and 2021. The results show that board size, competence, and diversity impact institutional survival. The relationship between board competence and sustainability did not hold for board size. Diversity is detrimental to sustainability, although women on boards are beneficial. The findings support the notion that strong corporate governance measures, including board competence, diversity, and female board members, enhance the sustainability of MFIs in Bangladesh.

**Keywords** Corporate governance · Sustainability · Microfinance institutions (MFIs) · Bangladesh

---

Md. N. Uddin

Department of Marketing, KENMS, International Islamic University, Kuala Lumpur, Malaysia

Department of Business Administration, Ankara University, Ankara, Turkey

International Islamic University Malaysia (IIUM), Kuala Lumpur, Malaysia

A. K. M. A. Haque (✉)

Department of Business Administration, International Islamic University Malaysia, Box No 10, 50728 Kuala Lumpur, Malaysia

e-mail: [ahasanul@iium.edu.my](mailto:ahasanul@iium.edu.my)

Md. Nuruzzaman

Faculty of Business Studies, University of Rajshahi, 6205 Rajshahi, Bangladesh

L. Nahar

Department of Islamic Economics and Finance, Istanbul University, Istanbul, Turkey

## Introduction

Significant interest in sustainability has been in recent years, specifically in environmental stewardship. Predominantly dependent on the existence of microfinance organizations, or MFIs, is the provision of financial services to low-income individuals and communities in Bangladesh. However, the lack of suitable corporate governance principles sometimes presents a risk to the enduring sustainability of such organizational frameworks (Tjahjadi et al., 2021).

Corporate governance (CG) encompasses the policies, processes, and behaviors implemented to oversee and manage an organization (ElGammal et al., 2018; Gupta & Mirchandani, 2020). In the context of MFIs, corporate governance encompasses the management of financial, operational, and compliance risks. It also includes the management of social and environmental risks, which are particularly relevant for MFIs operating in developing countries like Bangladesh.

Microcredit Regulatory Authority (MRA) is a regulatory agency in Bangladesh, and it categorizes MFIs into four distinct categories based on their size. Extra-large microfinance institutions (MFIs) have more than one million different borrowers, whereas large-sized institutions have between half a million and one million borrowers. Small MFIs have less than 100,000 borrowers, whereas medium-sized ones have 100,000–500,000. Categories are used to study Bangladesh's MFIs (Jaiyeoba et al., 2018).

Bangladeshi MFIs' viability depends on corporate governance. Corporate governance aids MFI operational risk management. These include financial performance, regulatory compliance, and social and environmental implications. Two good corporate governances may assist MFIs in gaining customers', investors', and regulators' confidence. This is crucial for MFIs in underdeveloped nations, where trust and confidence are frequently limited. Thirdly, corporate governance improved MFI's social and environmental performance (Ashraf et al., 2022; Jaiyeoba et al., 2018). Environmental protection, community development, and responsible finance are discussed. By fostering sustainability, MFIs may help their communities thrive.

Bangladesh's microfinance industry is booming. Extra-large microfinance firms still struggle to survive. Corporate governance is needed to sustain such entities. Sustainable corporate governance, financial performance, and long-term sustainability of Bangladesh's extra-large microfinance firms are examined in this research. The research examines how corporate governance affects Bangladesh's microfinance industry's financial performance and sustainability.

Corporate governance helps Bangladesh's major microfinance institutions succeed in the long term. The effect is significant. Good corporate governance fosters transparency, stakeholder benefit, and risk management. Bangladesh's microfinance may develop and stabilize with an investor, consumer, and regulatory trust and build a reputation.

Corporate governance determines the success of Bangladeshi extra-large microfinance enterprises. Good corporate governance may decrease risks, boost trust, and

improve MFI's social and environmental performance. Good corporate governance may help microfinance institutions (MFIs) survive and thrive.

## Literature Review and Hypothesis Development

### *CEO Duality*

US CEOs often chair the board (Pascal et al., 2017). This structure may give the CEO too much power over the board and limit its capacity to control the corporation, causing corporate governance problems. Despite legal and public demand to separate the CEO and board chairman responsibilities, 54% of US firms used a CEO duality leadership structure in 2010 (Chien, 2022). CEO duality increases corporate success in certain studies but not others (Boateng et al., 2022). CEO duality may affect corporate performance based on resource scarcity and board independence. These literature results led to the following hypothesis:

*H1: Company governance benefits immediately and favorably from CEO duality.*

*H2: CG mediates CEO duality's sustainability impacts.*

### *Board Size*

The board of directors is essential to corporate governance since it guarantees that the company's agents correctly manage the business (Shukla et al., 2020). Past research indicates that larger board sizes can result in higher communication and coordination issues, a diminished capacity to regulate management, and a dispersion of the cost of lousy decision-making (Adusei, 2019). A few studies have shown a favorable association between the dimensions of the board and the degree of transparency exhibited in corporate governance (CG). However, several studies have failed to establish a correlation between board size and the disclosure of CG (Mori & Charles, 2019). Additionally, CG disclosure and CEO duality, which occurs when the CEO serves as the board's chairman, have been investigated. Several research studies have yielded contradictory results about the relationship between the two variables; some have even shown a negative correlation (Tadele, 2020; Vafaei et al., 2020). In broad terms, the impact of board size on a company's success is multifaceted and susceptible to the influence of several factors. The factors above include the nature of CG disclosure, the intricacy of the organization, and the approach used to evaluate board size. It is postulated, in light of the discourse identified earlier:

*H3: Corporate governance is improved directly and positively by the size of the board.*

*H4: CG mediates the impacts of board size on sustainability.*

## ***Board Competence***

MFIs depend on board competence. Bengono (2023) found that the sustainability of MFIs depends on good corporate governance, especially board competency. Good governance helps the company achieve social and financial objectives. It improves corporate efficiency, effectiveness, and ethics. The MFI board guides the organization's strategy and operations (Abu Chien, 2022; Memon et al., 2022; Wadi et al., 2022). A competent board ensures that the MFIs can adjust to changing environmental conditions and remain profitable. MFI boards should have financial skills and a thorough grasp of the MFI's operational environment (Boateng et al., 2022; Uddin et al., 2022). The board should also be ethical and transparent.

Literature review and critical analysis of ideas and actions offered the following hypothesis: Microfinance organizations' long-term viability hinges on board competence, research shows (MFIs). Good corporate governance helps these companies accomplish social and financial objectives. MFI sustainability relies on board competence, but several problems may impede it. These include lacking resources, training, and board representation of women and other underrepresented groups (Neralla, 2022).

*H5: Board competence positively impacts governance.*

*H6: CG mediates board competence and sustainability.*

## ***Board Diversity***

Previous research and findings will be used to examine the link between the corporate governance of microfinance institutions (MFIs) and sustainability regarding board diversity. This would determine whether that link exists (Vafaei et al., 2020). This study examines how board diversity improves risk management, decision-making, and governance in microfinance firms (MFIs).

Corporate governance in MFIs requires board diversity and promotes sustainability. Uddin et al. (2022) found that board diversity improves company governance, stakeholder representation, and risk management. A diverse board also boosts MFI's openness, accountability, and credibility. According to research, MFIs with diverse boards operate better, are more socially responsible, and considerably decrease poverty. The review will also analyze MFI board diversity issues and remedies. This hypothesis is proposed:

*H7: The governance of corporations is enhanced by board diversity.*

*H8: The sustainability effects of board diversity are moderated by CG.*

## ***Female Board Member***

A review of MFI sustainability and female board member research is required to see how much they incorporate them into corporate governance (Vafaei et al., 2020). The assessment would examine how female board members enhance governance, decision-making, risk management, and MFI sustainability (Uddin et al., 2020; Vafaei et al., 2020).

Boubacar (2018) states that more women on boards increase financial performance, corporate governance, and social responsibility. Khalaf and Saqfalhait (2020) found that MFIs with more female board members had more diverse perspectives, boosting risk management and decision-making. More women on MFI boards may increase image, openness, and accountability.

Boubacar (2018) found that more women on boards increase financial performance, corporate governance, and social responsibility. According to Khalaf and Saqfalhait (2020), MFIs with more female board members had more diverse perspectives, boosting risk management and decision-making. Women on boards may enhance MFIs' openness, accountability, and reputation.

*H9: The presence of a female board member enhances governance.*

*H10: CG mediates female board members' sustainability impacts.*

## ***Board Independence***

Board independence is important in microfinance institutions (MFIs) since it promotes sustainability. Independent boards are more likely to serve stakeholders and promote good governance (Uddin et al., 2020). Research also shows that MFIs with more independent boards perform better in risk management, decision-making, and finances. The difficulties MFIs confront in fostering board independence and their solutions. Since the preceding research supports the next premise, it has been established:

*H11: The independence of the board of directors directly affects corporate governance.*

*H12: Board independence affects sustainability via CG.*

## ***Remuneration***

MFI compensation affects company governance and sustainability. Insufficient compensation misaligns interests and weakens MFI corporate governance (Thompson et al., 2019). Healthy compensation encourages excellent business governance and promotes top management-stakeholder relations. MFI compensation influences senior management behavior and sustainability. Stakeholder involvement is

essential for MFIs to align their pay systems with customers, staff, investors, and regulators. By communicating with stakeholders, MFIs may better understand their expectations and create sustainable compensation procedures. MFI viability depends on salary and corporate governance (Thompson et al., 2019). Stakeholder participation in compensation system design ensures that all stakeholders benefit and MFIs survive. The previous debate led to the following hypothesis:

*H13: Compensation immediately and favorably affects corporate governance.*

*H14: CG mediates compensation's sustainability effect.*

## ***Corporate Governance and Sustainability***

Corporate governance affects MFIs' viability. Bangladesh has a rapid increase in MFIs. These organizations help low-income populations access finance (Tjahjadi et al., 2021). Good governance helps these organizations survive by ensuring ethical administration. Effective and sustainable organizations require good governance. The size and complexity of Bangladesh's MFIs make governance and sustainability difficult (Neralla, 2022). Despite the significance of corporate governance to MFI sustainability, the research found various barriers to establishing effective governance systems in Bangladesh (Thrikawala et al., 2016a, 2016b). Issues include regulation, skilled workforce shortages, and budgetary constraints. Bangladeshi MFIs should improve corporate governance by strengthening internal controls, including stakeholders, and establishing open and clear regulations, according to a report (Neralla, 2022; Tjahjadi et al., 2021).

A principle (like a corporation's shareholders) may govern an agent (like the management team) via their relationship. The theory is agency theory (Duong & Nghiem, 2022). Microfinance enterprises may use this theory to assess how corporate governance ensures that the management team serves shareholders, customers, and staff (Nourani et al., 2022).

Agency theory suggests that extra-large MFIs in Bangladesh may adopt effective corporate governance practices such as clear management structures, policies and procedures, risk management systems, and solid internal controls. These strategies promote managerial accountability and institution sustainability (Mehedi et al., 2020). The agency theory helps examine how corporate governance affects the sustainability of Bangladesh's extra-large MFIs. It may show that these organizations require good governance to succeed and endure. The investigation led to the following idea:

*H15. Sustainability is enhanced by effective corporate governance.*

According to the theoretical framework, corporate governance improves microfinance companies' sustainability transparency (MFIs). This research is thus preoccupied with possibilities, innovations, and corporate governance (Fig. 1).

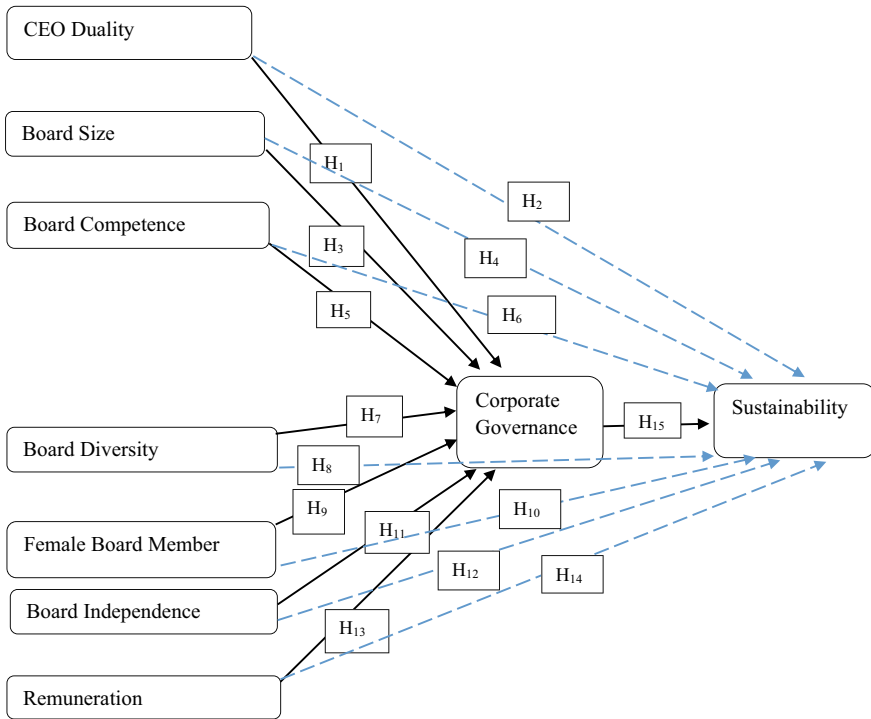


Fig. 1 Conceptual framework

## Methodology

Quantitative research is frequently employed when little is known about a phenomenon (Hair & Fávero, 2019). It endeavors to comprehend the fundamental origins of a problem. This study aimed to evaluate the influence of corporate governance practices on the enduring viability of microfinance establishments in Bangladesh. The study used an experimental design. The focus of this investigation will be the acquisition of quantitative data. The result of incorporating quantitative approaches into the design process is a more efficient, accurate, and data-driven outcome, leading to improved performance and optimized solutions (Black & Babin, 2019). This allows the researcher to address research questions using empirical evidence. First, panel data analysis techniques are used to search the Microfinance Regulatory Authority of Bangladesh (MRA) data for microfinance institutions (MFIs) in Bangladesh for the Grameen Bank. Following this, the nature of the link between corporate governance and the long-term sustainability of MFIs is ascertained by a regression study.

The accessibility and availability of data limit the sample length, and in this investigation, a random sampling technique is used. Due to the availability of annual



reports, audited financial statements, and other financial and governance data from MFIs, 2012 was selected as the beginning point for data gathering. The sample's data collection concluded in 2021, the most current year for which data is available. Data is gathered from a variety of sources. The MFIs databases in Bangladesh include those of the Microfinance Regulatory Authority (MRA), Grameen Bank, the Microfinance Information Exchange (MIX), the Palli Karma-Sahayak Foundation (PKSF), the Institute of Microfinance (InM), and the World Bank Global Index. The MIX market database is the most comprehensive source of publicly accessible financial data on individual MFIs worldwide (Miled et al., 2022). Research done in the last few years has used the MIX market database. MIX derives most of its data from hired consultants and country-level networks. The database includes financial and social data on MFIs from all over the world, with 81 percent of the sample audited by someone else and 28 percent checked by the MFIs themselves (Tehulu, 2022).

The study has a longitudinal design (panel). The panel is uneven since the number of periods ( $t$ ) for each business ( $i$ ) is different. The panel dataset contains large top size 5 MFIs BRAC, Grameen Bank, ASA, Basic Unit for Resources and Opportunities of Bangladesh (BURO Bangladesh), and Society for Social Service (SSS) with year-by-year observations from 2012 to 2021. The sample size varies due to the non-availability of secondary data for specific MFIs without audited financial reports in the MIX database. A statistical software called STATA-17 (Stata is a syllabic acronym for statistics and data) is used to analyze the data.

The panel data analysis begins with a commonly used multiple regression analysis. A linear multiple regression model shows corporate governance's effect on microfinance firms' sustainability. In addition, the regression model can estimate dynamic equations with lagged dependent variables on the right-hand side and solve for missing data. The panel data estimation method was used (Hair & Fávero, 2019). Consequently, the essential regression equation for panel data analysis is written more generically as follows:

$$\begin{aligned} \text{Sustainability}_{it} = & \alpha + \beta_1 \text{CEO Duality}_{it} + \beta_2 \text{B size}_{it} + \beta_3 \text{B Competence}_{it} \\ & + \beta_4 \text{B Diversity}_{it} + \beta_5 \text{FBM}_{it} + \beta_6 \text{Bind}_{it} \\ & + \beta_7 \text{Remuneration}_{it} + \varepsilon_{it} \dots \end{aligned} \quad (1)$$

Descriptive statistics simplify data analysis by explaining and summarizing. Duong and Nghiem (2022) recommend summarizing data using the mean, median, variance, standard deviation, histograms, and pie charts. Choosing the best central tendency statistic for this dataset is the first step. The arithmetic mean describes the average variable values. Outliers and large sample gaps may affect the mean. If the data distribution is skewed, the median—the center point—can be better. Calculating the standard deviation determines if the data are homogenous or heterogeneous. The standard deviation is a well-known metric of interval data dispersion. This study uses a variable's lowest and highest values to identify its extreme values and data distribution range. A complete descriptive statistics analysis shows data behavior. This step is carefully checked to ensure parametric techniques are applied appropriately.

## Results and Discussions

### *Descriptive Statistics*

Table 1 displays descriptive data for the 2012–2021 analysis variables. Each variable's observation, mean, median, standard deviation, and lowest and maximum values are shown. Financial stability regarding sustainable indicators is common in microfinance firms studied. The people had the lowest financial self-sufficiency (FSS) score of 1.49, supporting Remer and Kattilakoski's empirical findings (2021). The empirical mean FSS values of 0.99 and 1.10 match these values (Iqbal et al., 2019). Our analysis found that 405 MFIs in 73 countries had an FSS average of 0.98 to 1.01 between 2001 and 2010. The mean practical scaled score across 114 microfinance institutions (MFIs) in 62 countries was 0.89, according to Jaiyeoba et al. (2018), (2020, Rassel & Win) MFIs averaged 0.92 FSS from 2010 to 2015. Shettima and Dzolkarnaini (2018), over 10 years, 278 MFIs had an average FSS score of 0.89. García-Pérez et al. (2018) identified a worldwide FSS level of 0.88 among 350 MFIs across 70 countries from 2008 to 2015. 22 five-star MFIs had an average FSS of 1.264 and a median of 1.121 (Babajide et al., 2017). Chikalipah (2018) found that 329 microfinance businesses serviced over 10 years had a mean FSS of 0.97. According to Nanayakkara (2017), European FSS mean values were 85.41 percent. All participants gave the organization a median rating of 1, indicating success in Bangladesh. The minimum FSS standard is 0.22, range 0.22–1.49.

The mean and median values for operational self-sufficiency (OSS) are 1.38 and 1.34, respectively. This is the standard deviation of OSS achieved in Bangladesh and indicates that extra-large size MFIs operate well in Bangladesh. The median OSS for the 405 MFIs operating in 73 countries from 2005 to 2015 is 1.11, while the average OSS is 1.14. (Dorfleiter et al., 2020) discover that an analysis of data from over 60 countries yields an OSS mean of 1.077. According to Roy and Pati (2019), the average OSS for each country between 2008 and 2017 was 1.145. Dutta and Das (2014), between 2009 and 2013, the average OSS on standardized tests was 1.119 in 278 MFIs across 60 nations. (Leite et al., 2019) discovered that from 2012 to 2016, the OSS mean value in 350 manufacturing facilities across 70 nations was 1.12. The 22 top-rated financial institutions in India's OSS rankings range from 0.5946 to 3.3565. Quayes and Hasan (2014), from 2009 to 2013, the OSS mean values across 329 MFIs across 73 countries were 1.56. According to Gul et al. (2017), the average OSS for the Eastern Mediterranean region is 85.41%. The importance of the means and medians suggests that MFIs in Bangladesh efficiently offer loans. The OSS precision ranges from 0.96 at the least to 2.06 at the greatest.

Return on equity values vary from  $-0.02$  to  $-0.53$ , with  $-0.02$  being the minimum and  $-0.53$  representing the maximum. The average return on equity is 0.20, while the standard deviation is 0.11. The median is 0.18. It is apparent that MFIs provide competitive interest rates and allocate their assets in a manner that benefits the owners of the institutions, as shown by the positive mean value. Prior research focused on operational cost ratios on ROE, which is an effective measure of ROE since it suggests

**Table 1** Descriptive statistics of extra-large size MFIs in Bangladesh

Variables	Acronym	Mean	Median	Std. Dev.	Min	Max
<i>Dependent variables</i>						
<i>Sustainability variables</i>						
Financial self-sufficiency	<i>FSS</i>	0.99	1.10	0.42	0.22	1.49
Operational self-sufficiency	<i>OSS</i>	1.38	1.34	0.33	0.96	2.06
Return on equity	<i>ROE</i>	0.20	0.18	0.11	-0.02	0.53
Return on assets	<i>ROA</i>	0.07	0.06	0.07	-0.001	0.39
The yield on a gross loan portfolio	<i>YOGLP</i>	0.15	0.16	0.03	-0.09	0.25
<i>Independent variables</i>						
<i>Corporate governance</i>						
CEO duality	<i>CEODuality</i>	1	1	0.48	0	1
Board size	<i>Bsize</i>	10.04	10	3.15	5	17
Board competence	<i>BCompetence</i>	21	20	5.21	15	30
Board diversity	<i>BDiversity</i>	5.92	6	2.81	3	10
Female board member	<i>FBM</i>	5.9	5	3.58	0	12
Board independence	<i>Bind</i>	8.86	10	3.35	4	17
Remuneration	<i>Remuneration</i>	1	1	0	1	1

This table presents descriptive data based on the sample of extra-large MFIs; CEO duality, remuneration are computed based on levels instead of a dummy form for an explanation

that MFIs that make smaller loans are inferior to those that offer enormous loans, even if both classes of MFIs suffer comparable amounts of operating expenditures (D'Espallier et al., 2017). Microfinance institutions (MFIs) in Nepal had a median return on equity (ROE) of 17.05 percent and an average return on equity (ROE) of 22.08 percent. According to two separate studies, India's average and median return on equity are 0.37415% and 0.1602%, respectively, with a range of -0.3965 to 2.1238 (Gupta & Mirchandani, 2020). Bangladeshi MFIs' ROE varies from -2 percent to 53 percent, depending on their size. Negative valuation occurs because some MFIs typically function only on the owners' equity for several years and need an infusion of capital to provide more services. This report uses the relative poverty rate as the denominator, using the Microcredit Regulatory Authority (MRA) methodology.

The median return on assets (ROA) for MFIs in Bangladesh is 6%, while the average is 7%. Fifty percent of Bangladesh's MFIs achieved this 7% ROA score between 2009 and 2018. According to data from the five biggest MFIs in Bangladesh, there is a 6% standard deviation in return on assets (Dorfleiner et al., 2020; Tchakoute-Tchuioua and Soumaré, 2019). In Bangladesh, MFIs had ROAs ranging from -1 to 39%. This negative number is included because a handful of the MFIs in the sample are non-profit. 2017 (Uchenna et al., 2017) The mean and median ROA values in 22 Indian five-star MFIs range from -0.1288 to 0.3086 and are 0.0304

and 0.01365, respectively. The average ROA in Mediterranean countries varies from  $-7.58\%$  to  $33.0\%$  (Leite et al., 2019). It implies that between 2007 and 2016, the shareholders' returns increased. For extra-large MFIs in Bangladesh, the ROA ranges from  $-1$  to  $39\%$ , with  $-1$  being the lowest number. The Bangladeshi non-profit MFIs are responsible for the ROA's negative value. Extra-large MFIs in Bangladesh have lower ROAs than average, suggesting that some can need to increase their industry investments to keep making money.

The average portfolio yield (YOGLP) for Bangladeshi MFIs is  $15\%$ , the median portfolio yield is  $16\%$ , and the standard deviation is  $3\%$ . However, compared to the average return of 379 microfinance institutions (MFIs) from 73 countries, which was  $33\%$ , the highest yield of  $25\%$  is much lower. Nine percent is the lowest yield (D'Espallier et al., 2017). The portfolio yield of MFIs in a database of 675 MFIs was  $40\%$ , which is not particularly unusual for this industry (Dato et al., 2018; Garca-Pérez et al., 2018).

As shown by a standard deviation of 0.48 and a mean and median of 1, the CEO duality (CEODuality) of Bangladesh's many large-scale microfinance organizations is 1. The values mentioned above are both positive. In this poll,  $48\%$  of MFIs in Bangladesh are reported as having a chairperson, whereas only  $44\%$  had chairs. According to research, only 15 percent of foreign subsidiaries have dual CEOs, which is almost double for local public firms in Bangladesh, consistent with this study's findings. According to Iqbal et al. (2019), twenty percent of European companies employ two CEOs. 68 percent of CEOs have dual jobs, whereas 65 percent each in Austria and France, the United Kingdom, Germany, Sweden, and Poland do not have such dual positions. Non-Asian countries do not benefit from the descriptive statistics suggesting a greater share of Asian CEOs in those nations. The CEO duality variable is a fictitious creation. The inquiry's findings indicate that the minimum and maximum values are zero and one, respectively.

The average board size (BSize) is 10.04, the median value is 10.06, and it has a standard deviation of approximately 3.15. The minimum and maximum values for the MFIs change overdue 5 and 7 (Ahmed & Khan, 2016). They noticed the mean value of 7.15, and the median was 8.65 in 350 manufacturing facilities in 70 countries from 2005 to 2015. Therefore, this analysis utilizes surface area as an alternate denominator, which is deemed the correct microfinance method. MFIs with board competence is 21, the median is 20, and the standard deviation is 5.21 in extra-large size MFIs Bangladesh, which means 15, minimum values are 30, and maximum values of Bangladeshi MFIs have board competence.

This research shows that extra-large MFIs in Bangladesh vary, with an average of 5.92, a median of 6, and standard deviations of 2.81, which have board diversity (BDiversity). In Europe, microfinance institutions (MFIs) exhibit a spectrum of board diversity values ranging from 5.0 to 9.0, whereas Nepal maintains an average of 0.48. Portugal and Poland have board diversity representation levels of about 6.0, whereas Switzerland, Sweden, and France have numbers of 9.0 (Mehedi et al., 2020). Wale (2015) found that Mediterranean nations had varying BDiversity mean values of 0.457.

This study found that Bangladeshi small and medium-sized microfinance institutions (MFIs) had 5.9 female board members (FBM), with a median of 5 and a standard deviation 3.58. African MFIs somewhat increased over the preceding two ranges (Boubacar, 2018). Both minimum and maximum values are 0 now. Périlleux and Szafarz (2015) found that Mediterranean boards had 0.398 percent female directors. This percentage exceeds the European average of 17% and matches Portugal and Poland's board representation of women. The highest proportion of women among microfinance institutions (MFIs) in Nepal is one hundred percent, while the lowest is zero percent. In Sri Lanka and India, the requirement that governments nominate a minimum of one female board member might increase the proportion of women serving on microfinance institutions (MFIs) boards. Many cooperatives and non-governmental organizations (NGOs) that aim to assist women are also managed by women.

The extra-large size of Bangladeshi MFIs boards is about 8.86, the median is ten, and the standard deviation is 3.35 for directors that reflect board independence (Bind), which is a crucial representation compared to literature (Ahmed & Khan, 2016; Uchenna et al., 2017). Mollah and Zaman (2015) note that the average representation of board independence for MFIs worldwide is 5.6, and (Ahmed & Khan, 2016) find that MFIs boards have a board independence standard 5.2. The analysis finds that around half of the Bangladeshi sample does not have a board to represent. Like results from (Uchenna et al., 2017), directors of Bangladeshi MFIs are predominantly (Bind). The Bangladesh MFIs' average board size is 4, with the maximum number being 17. The number of autonomous board members on MFIs worldwide is 11, but in Central and Eastern Europe MFIs, there are just 4. The analysis showed the independent board members' representation of their board's freedom.

Table 1 indicates that the average remuneration means for Bangladeshi MFIs is 1; the median is also 1; the standard deviation is 0. The minimum is 0, and the maximum is 1. Using a dummy variable, zero implies no, and one indicates yes. Hubert (2015), the average payment at the Sri Lankan and Nepali MFIs was around the same. Boubacar (2018) posits that pay is a constructive contribution that cannot be overlooked. Iqbal et al. (2019) propose that a basic income for better performance is feasible. Boubacar (2018) states that the average annual remuneration ranges from 0.99 to 1.04 in 580 MFIs from 78 countries.

Every board meeting is an opportunity to remember. In contrast to Europe, where the mean proportion of directors stands at 80 percent, microfinance institutions in Bangladesh exhibit the following values at the median, average, and standard deviation (SD): 12.5, 12, and 6.31, respectively. This percentage is higher than the average number of directors in Europe. Norwegian board members comprise 98 percent of the composition, while Polish board members comprise 59 percent. Portugal and Poland have board representation percentages over 60 percent, while Switzerland, Sweden, and France have board representation rates beyond 90 percent. According to Ershad (2017), the percentage of independent directors to total directors is higher in Mediterranean nations than elsewhere. The number of participants in the board directors' meeting ranges from six to a maximum of twenty-four. The increased

**Table 2** Multiple regression tests

Dependent variables	Multiple regression			
	F statistics	P-value	R-square	Adj. R-squared
FSS	25.80	0.000	0.9192	0.8836
OSS	12.31	0.000	0.8445	0.7759
ROE	5.24	0.000	0.6979	0.5646
ROA	6.40	0.000	0.7386	0.6233
YOGLP	5.11	0.000	0.6927	0.5572

This table displays the results of the multiple regression test

meeting attendance was ascribed to the need for the boards of MFIs to have at least one meeting each month because of their increased size.

Board of directors (BDirectors) sizes for microfinance institutions (MFIs) range from a minimum of seven members to a maximum of twenty-one members, with an average size of 11.82, a median size of 10, and a standard deviation of 4.64. Boubacar (2018) considered the average board of directors for Sri Lankan MFIs to be approximately 5.6 members, comparable with the average size for Bangladeshi MFIs. The average (BDirector) scale within the sample was seven to nine. (Mehedi et al., 2020) found a benefit of getting a minimal board of directors. Rasel and Win (2020) propose a board size 10, describing how companies do best on smaller boards. They observed that small to medium companies' average board size is 5.4. The Council of Microfinance Equity Funds (Council) advises that boards of less than five members are inefficient and that the optimal board size is seven to nine. However, a successful board size can include as few as five or as many as 30 or more members. (Wale, 2015) finds that European boards of directors can have a composition of 12 people.

### ***Multiple Regression Analysis***

This research applied multiple regression analyses to assess whether average outcomes differ for different communities. Multiple regression was determined to be used for diagnosing governance framework and chronic structural failure (Table 2).

### ***Regression Model***

The results apply to models including both fixed effects and random effects. Based on the findings of the Hausman test, it can be concluded that the FSS and YOGLP variables need a fixed-effect model. This occurs because the null hypotheses are rejected at p-values significantly below the predetermined threshold of 0.05. On the

**Table 3** Model selection: fixed or random-effect

Dependent variable	Prob > chi <sup>2</sup>	Hausman test result
FSS	0.0002	Fixed-effect model
OSS	0.9997	Random-effect model
ROE	0.9954	Random-effect model
ROA	0.3302	Random-effect model
YOGLP	0.0046	Fixed-effect model

This table displays the Hausman test result for variables related to sustainability

other hand, a random-effect model can be used to look at variables like OSS, ROE, and ROA. This is because these variables can be looked at in this way (Table 3).

The Breusch and Pagan LM test for random effects measures robustness. Using the panel GMM estimate approach, the study could perform a robustness test. The test result ( $\text{Prob} > \chi^2 = 0.00$ ) reveals that the pooled regression model is insufficient for the OSS, ROE, and ROA dependent variables, as the null hypothesis is rejected at a significance level of 5% ( $\text{Prob} > \chi^2 = 0.00$ ). The acceptance of the alternative hypotheses indicates that a random-effect model is appropriate.

### *Empirical Results*

The multiple linear regression investigation findings are shown in Table 4, accompanied by the p-values computed to control the unaccounted-for variability. Only a small number of the model's coefficients—related to the viability of extra-large size MFIs in Bangladesh—were statistically significant. Below is a list of the variables and their statistical significance.

Only the board's board size (BSize) and FSS and OSS have a substantial negative correlation ( $t = -1.16, p = 0.01$ ), with the latter two also having a negative correlation ( $t = -2.27, p = 0.03$ ). This research looks at the findings from the analysis (Ahmed & Khan, 2016; Boubacar, 2018). The conclusion implies that MFIs sustainability is strengthened if it has fewer participants on its team. A negative impact of board size on MFIs' success flows from their domestic dedication to the family and society (Saeed et al., 2018; Uchenna et al., 2017). In the South Asian zone, the MFI's board size has more unpaid work at MFIs, such as volunteering activities and handling the household rather than performing on the board. Social considerations can also significantly influence the board's growth as it evolves simultaneously with the community. Usually, in corporations, the chairperson is the company's owner, and the board members are the subordinates and mostly passive and inactive delegates (Thrikawala et al., 2016a, 2016b). Their effect on the organization's financial sustainability is likely to be insignificant. This study indicates that it could be necessary to conclude that boards of diverse sizes impact MFIs' financial sustainability in Bangladesh.

**Table 4** Relationship between corporate governance and sustainability

Variables	FSS			OSS			ROE			ROA			YOGLP		
	Coef.	<i>p</i>	<i>t</i>	Coef.	<i>p</i>	<i>t</i>	Coef.	<i>p</i>	<i>t</i>	Coef.	<i>p</i>	<i>t</i>	Coef.	<i>p</i>	<i>t</i>
CEO duality	0			0			0			0			0		
Board size	<b>-0.116</b> ***	0	-4.4	<b>-0.065</b> **	0.03	-2.3	-0.02	0.167	-1.4	-0.01	0.202	-1.3	-0.004	0.329	-1.0
Board competence	-0.011	0.732	-0.4	-0.015	0.67	-0.4	0.015	0.407	0.84	<b>0.021</b> **	0.028	2.29	-0.006	0.231	-1.2
Board diversity	-0.016	0.658	-0.5	-0.03	0.45	-0.8	-0.017	0.406	-0.8	<b>-0.027</b> **	0.012	-2.7	-0.015**	0.013	-2.6
FBM	<b>0.129</b> ***	0	5.40	<b>0.05</b> *	0.065	1.91	0.001	0.922	0.10	-0.001	0.912	-0.1	0.002	0.533	0.63
BInde	0.006	0.787	0.27	0.006	0.783	0.28	0.001	0.95	0.06	<b>0.011</b> *	0.057	1.97	0.003	0.444	0.77
Remuneration	0			0			0			0			0		
Constant	1.991	0.01	2.71	1.085	0.184	1.36	-0.574	0.161	-1.4	-0.345	0.102	-1.7	0.401***	0.002	3.43
Mean dep. var	0.992			1.375			0.198			0.065			0.158		
SD dep. var	0.419			0.329			0.118			0.065			0.034		
No. of obs	50.000			50.000			50.000			50.000			50.000		
Prob. > F	0.000			0.000			0.000			0.000			0.000		
R-squared	0.919			0.844			0.698			0.739			0.693		
F-test	25.799			12.309			5.236			6.404			5.110		
AIC	-39.991			-31.43			-100.6			-167.53			-223.65		
BIC	-9.399			-0.842			-70.04			-136.94			-193.06		
Wald chi <sup>2</sup>	4066.18									39,385.47			5301.34		

The following table illustrates the impact of corporate governance on the long-term profitability of prominent microfinance organizations in Bangladesh. A significant rate of 10%, 5%, and 1% is seen for the variables \*, \*\*, and \*\*\*, respectively. In order to get p-values, standard robustness errors are modified to account for serial correlation and heteroskedasticity in the error term. The outcomes are included between parentheses. *T*-statistics are included in square brackets, as shown



A favorable and statistically significant link ( $t = 2.29, p = 0.028$ ) has been seen between the return on assets (ROA) of institutions and board competence (Competence). Additionally, it exhibits consistency, aligning with previous results (Banto & Monsia, 2020; Borlea et al., 2017). The findings of this analysis on board competence support the general assumptions of (Borlea et al., 2017; Hacker & Washington, 2017) that corporate governance is board competence and has a beneficial impact on organizations' sustainability, and board competence members of the board endorse it. The findings supported the hypothesis that high board expertise standards would help increase significant MFIs' environmental sustainability.

The research findings support that a diverse board would enhance major MFIs' long-term financial sustainability. Research has shown a negative correlation ( $t = -2.65, p = 0.12$ ) between board diversity and both ROA and YOGLP ( $t = -2.63, p = 0.13$ ). The findings of this analysis on the variety of board members provide support to the overarching concepts of (Ghosh & Guha, 2019; Mehedi et al., 2020; Uchenna et al., 2017) that board diversity has a detrimental impact on organizations' sustainability, but female members confirm this on the board. However, while females are on the team, female clients profit more from MFIs in Bangladesh.

Female board members (MBM) have a significant level of positive association ( $t = 0.129, p = 0.0$ ) with FSS, and OSS has ( $t = 1.19, p = 0.065$ ). Board independence's favorable relationship to ROA is meaningful ( $t = 1.57, p = 0.011$ ). These studies indicate a strong association between female leadership and the survival of extra-large-size MFI providers. This analysis's findings offer evidence for the general proposition that women in management positively affect organizations' sustainability, and it is endorsed by the board's independent directors (Boubacar, 2018; Ghosh & Guha, 2019; Memon et al., 2020).

Results support the prediction that leverage negatively affects extra-large MFI sustainability in Bangladesh FSS ( $t = 2.28, p = 0.029$ ). This shows that the variables' association is statistically significant. Thrikawala et al. (2016a), who emphasize corporate governance, support this conclusion. The meeting is not statistically significant, connected with the institution's openness, and consistent with other MFI studies (D'Espallier et al., 2017; Nalukenge, 2020). Results indicate a positive correlation between MFI size and sustainability. This analysis's meeting data supports the idea that openness helps organizations survive (Thrikawala et al., 2016a, 2016b).

No substantial correlation exists between corporate governance, CEO duality, and broad or extra-large MFIs in Bangladesh. It is hard to determine whether MFIs with the same CEO and chair would be better governed. Other research suggests that separating the roles of CEO and chair in MFIs does not improve governance (Boubacar, 2018). The study found no evidence that CEO/chair duality hurts sustainability.

This study examines how corporate governance affects the profitability of Bangladesh's extra-large microfinance organizations. Large boards of directors negatively impact microfinance firms' financial viability, according to the research (MFIs), because a smaller board of directors makes the firm more sustainable. ROA and board competence are positively correlated, which boosts business sustainability. Board diversity, financial sustainability, and ROA are inversely related (ROA). Microfinance institutions (MFIs) with more women on their boards are more financially

stable. A non-significant relationship existed between dual leadership, CEO duality, corporate governance, and Bangladeshi MFI viability.

## Conclusion

In conclusion, this study examined how corporate governance factors affect Bangladeshi extra-large microfinance enterprises' long-term survivability. The boards' makeup, competence, and diversity substantially affected these institutions' survivability. Board competence increased sustainability, whereas board size decreased it. Although more female board members improve sustainability, studies suggest that board diversity hurts it. The study also found that MFIs' long-term survival was unaffected by the CEO and chair's roles. The results support the core premise that strong corporate governance standards, such as board diversity, competence, and women's participation help Bangladeshi microfinance institutions (MFIs) survive.

The sample size limits the generalizability of the findings to all Bangladeshi MFIs. The paper uses cross-sectional data, making causation between factors and sustainability challenging. The link between CEO dualism and sustainability is unclear; thus, further study is required. Smaller boards, competent board members, female board members, and reduced leverage may help extra-large MFIs in Bangladesh survive.

## References

- Abu Wadi, R., Bashayreh, A., Khalaf, L., & Abdelhadi, S. (2022). Financial sustainability and outreach in microfinance institutions: Evidence from MENA countries. *Journal of Sustainable Finance and Investment*, 12(1), 238–250. <https://doi.org/10.1080/20430795.2021.1964814>.
- Adusei, M. (2019). Board gender diversity and the technical efficiency of microfinance institutions: Does size matter? *International Review of Economics and Finance*, 64(November 2017), 393–411. <https://doi.org/10.1016/j.iref.2019.07.008>.
- Ahmed, K., & Khan, R. (2016). Disclosure practices and governance quality: Evidence from micro finance institutions. *Journal of Accounting and Organizational Change*, 12(3), 325–350. <https://doi.org/10.1108/JAOC-02-2015-0014>
- Ashraf, D., Rizwan, M. S., & L'Huillier, B. (2022). Environmental, social, and governance integration: The case of microfinance institutions. *Accounting and Finance*, 62(1), 837–891. <https://doi.org/10.1111/acfi.12812>
- Babajide, A. A., Taiwo, J. N., & Adetiloye, K. A. (2017). A comparative analysis of the practice and performance of microfinance institutions in Nigeria. *International Journal of Social Economics*, 44(11), 1522–1538. <https://doi.org/10.1108/IJSE-01-2016-0007>
- Banto, J. M., & Monsia, A. F. (2020). Microfinance institutions, banking, growth and transmission channel: A GMM panel data analysis from developing countries. *Quarterly Review of Economics and Finance*. <https://doi.org/10.1016/j.qref.2020.06.004>

- Bengono, I. B. (2023). Governance and organisational flexibility at the junction of African MFIs' sustainability issues. *Global Journal of Flexible Systems Management*, 23, 39–50. <https://doi.org/10.1007/s40171-022-00333-w>
- Black, W., & Babin, B. J. (2019). Multivariate data analysis: Its approach, evolution, and impact. In *The great facilitator* (pp. 121–130). [https://doi.org/10.1007/978-3-030-06031-2\\_16](https://doi.org/10.1007/978-3-030-06031-2_16)
- Boateng, R. N., Tawiah, V., & Tackie, G. (2022). Corporate governance and voluntary disclosures in annual reports: A post-international financial reporting standard adoption evidence from an emerging capital market. *International Journal of Accounting and Information Management*, 30(2), 252–276. <https://doi.org/10.1108/IJAIM-10-2021-0220>
- Borlea, S. N., Achim, M. V., & Mare, C. (2017). Board characteristics and firm performances in emerging economies. Lessons from Romania. *Economic Research-Ekonomska Istrazivanja*, 30(1), 55–75. <https://doi.org/10.1080/1331677X.2017.1291359>
- Boubacar, H. (2018). Internal governance mechanisms and the performance of decentralised financial systems in Niger. *International Journal of Social Economics*, 45(4), 629–643. <https://doi.org/10.1108/ijse-11-2016-0342>
- Chien, F. (2022). The role of corporate governance and environmental and social responsibilities on the achievement of sustainable development goals in Malaysian logistic companies. *Economic Research-Ekonomska Istrazivanja*. <https://doi.org/10.1080/1331677X.2022.2090407>
- Chikalipah, S. (2018). Do Microsavings stimulate financial performance of microfinance institutions in Sub-Saharan Africa? *Journal of Economic Studies*, 45(5), 1072–1087. <https://doi.org/10.1108/JES-05-2017-0131>
- D'Espallier, B., Goedecke, J., Hudon, M., & Mersland, R. (2017). From NGOs to banks: Does institutional transformation alter the business model of microfinance institutions? *World Development*, 89(April 2014), 19–33. <https://doi.org/10.1016/j.worlddev.2016.06.021>
- Dato, M. H., Mersland, R., & Mori, N. (2018). Board committees and performance in microfinance institutions: Evidence from Ethiopia. *International Journal of Emerging Markets*, 13(2), 350–370. <https://doi.org/10.1108/IJoEM-08-2016-0216>
- Dorflleitner, G., Oswald, E. M., & Röhe, M. (2020). The access of microfinance institutions to financing via the worldwide crowd. *Quarterly Review of Economics and Finance*, 75, 133–146. <https://doi.org/10.1016/j.qref.2019.03.010>
- Duong, H. A., & Nghiem, H. S. (2022). The impact of microfinance on poverty reduction in Vietnam: A dynamic panel-data analysis. *Poverty & Public Policy*, 14(4), 405–422. <https://doi.org/10.1002/pop4.354>
- Dutta, P., & Das, D. (2014). Indian MFI at crossroads: Sustainability perspective. *Corporate Governance (bingley)*, 14(5), 728–748. <https://doi.org/10.1108/CG-09-2014-0112>
- ElGammal, W., El-Kassar, A. N., & Messarra, L. C. (2018). Corporate ethics, governance and social responsibility in MENA countries. *Management Decision*, 56(1), 273–291. <https://doi.org/10.1108/MD-03-2017-0287>
- Ershad, U. A. (2017). Through Islamic Banks' Zakat House (IBZH): Investment of Zakah funds in microfinance to remove poverty in Bangladesh: A new model. *International Journal of Islamic Economics and Finance Studies*, 2(1), 1–25. <https://doi.org/10.12816/0036592>
- García-Pérez, I., Muñoz-Torres, M. J., & Fernández-Izquierdo, M. Á. García-Pérez, I., Muñoz-Torres, M. J., & Fernández-Izquierdo, M. Á. (2018). Microfinance institutions fostering sustainable development. *Sustainable Development*, no. August 2017, 1–14. <https://doi.org/10.1002/sd.1731>
- Ghosh, C., & Guha, S. (2019). Role of gender on the performance of Indian microfinance institutions. *Gender in Management*, 34(6), 429–443. <https://doi.org/10.1108/GM-03-2019-0036>
- Gul, F. A., Podder, J., & Shahriar, A. Z. M. (2017). Performance of microfinance institutions: Does government ideology matter? *World Development*, 100, 1–15. <https://doi.org/10.1016/j.worlddev.2017.07.021>
- Gupta, N., & Mirchandani, A. (2020). Corporate governance and performance of microfinance institutions: Recent global evidence. *Journal of Management and Governance*, 24(2), 307–326. <https://doi.org/10.1007/s10997-018-9446-4>

- Hacker, S. K., & Washington, M. (2017). Spiritual intelligence: Going beyond IQ and EQ to develop resilient leaders. *Global Business and Organizational Excellence*, 36(3), 21–28. <https://doi.org/10.1002/joe.21777>
- Hair, J. F., & Fávero, L. P. (2019). Multilevel modeling for longitudinal data: Concepts and applications. *RAUSP Management Journal*, 54(4), 459–489. <https://doi.org/10.1108/RAUSP-04-2019-0059>
- Hubert, T. T. (2015). Determinants of the governance quality of microfinance institutions. *Quarterly Review of Economics and Finance*. <https://doi.org/10.1016/j.qref.2015.02.011>
- Iqbal, S., Nawaz, A., & Ehsan, S. (2019). Financial performance and corporate governance in microfinance: Evidence from Asia. *Journal of Asian Economics*, 60, 1–13. <https://doi.org/10.1016/j.asieco.2018.10.002>
- Jaiyeoba, H. B., Adewale, A. A., & Ibrahim, K. (2018). Measuring efficiencies of Bangladeshi and Indonesian microfinance institutions. *International Journal of Bank Marketing*, 36(2), 305–321. <https://doi.org/10.1108/IJBM-01-2017-0009>
- Khalaf, L. S., & Saqfalhait, N. S. (2020). Microfinance: An emerging tool for women's economic empowerment. In *Entrepreneurial opportunities* (pp. 37–52). <https://doi.org/10.1108/978-1-83909-285-520201003>.
- Leite, R. D. O., Mendes, L. D. S., & Sacramento, L. C. (2019). To profit or not to profit? Assessing financial sustainability outcomes of microfinance institutions. *International Journal of Finance and Economics*, 24(3), 1287–99. <https://doi.org/10.1002/ijfe.1718>.
- Mehedi, S., Rahman, H., & Jalaludin, D. (2020). The relationship between corporate governance, corporate characteristics and agricultural credit supply: Evidence from Bangladesh. *International Journal of Social Economics*, 47(7), 867–885. <https://doi.org/10.1108/IJSE-02-2020-0085>
- Memon, A., Akram, W., & Abbas, G. (2020a). Women participation in achieving sustainability of microfinance institutions (MFIs). *Journal of Sustainable Finance and Investment*, 1–19. <https://doi.org/10.1080/20430795.2020.1790959>.
- Memon, A., Akram, W., Abbas, G., Chandio, A. A., Adeel, S., & Yasmin, I. (2022). Financial sustainability of microfinance institutions and macroeconomic factors: A case of South Asia. *South Asian Journal of Macroeconomics and Public Finance*, 11(1), 116–142. <https://doi.org/10.1177/22779787211007970>
- Miled, K. B. H., Younsi, M., & Landolsi, M. (2022). Does microfinance program innovation reduce income inequality? Cross-country and panel data analysis. *Journal of Innovation and Entrepreneurship*, 11(1). <https://doi.org/10.1186/s13731-022-00195-7>.
- Mollah, S., & Zaman, M. (2015). Shari'ah supervision, corporate governance and performance: Conventional vs. Islamic banks. *Journal of Banking and Finance*, 58, 418–435. <https://doi.org/10.1016/j.jbankfin.2015.04.030>
- Mori, N., & Charles, G. (2019). The role of boards of directors of family-owned microfinance institutions: Lessons from the boardroom. *Journal of Family Business Management*, 9(1), 79–97. <https://doi.org/10.1108/JFBM-11-2017-0040>
- Nalukenge, I. (2020). Board role performance and compliance with IFRS disclosure requirements among microfinance institutions in Uganda. *International Journal of Law and Management*, 62(1), 47–66. <https://doi.org/10.1108/IJLMA-08-2017-0195>
- Nanayakkara, G. (2017). Interaction and higher order effects of factors affecting the performance of microfinancing institutions. *International Journal of Social Economics*, 44(7), 900–920. <https://doi.org/10.1108/IJSE-12-2014-0251>
- Neralla, N. G. (2022). Can corporate governance structure effect on corporate performance: An empirical investigation from Indian companies. *International Journal of Disclosure and Governance*, no. Srivastava 2009. <https://doi.org/10.1057/s41310-021-00135-z>.
- Nourani, M., Mia, M. A., Saifullah, M. K., & Ahmad, N. H. (2022). Brain drain in microfinance institutions: The role of gender and organisational factors. *Gender in Management*, 37(3), 305–327. <https://doi.org/10.1108/GM-04-2021-0092>

- Pascal, D., Mersland, R., & Mori, N. (2017). The influence of the CEO's business education on the performance of hybrid organizations: The case of the global microfinance industry. *Small Business Economics*, 49(2). <https://doi.org/10.1007/s11187-016-9824-8>.
- Périlleux, A., & Szafarz, A. (2015). Women leaders and social performance: Evidence from financial cooperatives in Senegal. *World Development*, 74, 437–452. <https://doi.org/10.1016/j.worlddev.2015.05.011>
- Quayes, S., & Hasan, T. (2014). Financial disclosure and performance of microfinance institutions. *Journal of Accounting and Organizational Change*, 10(3), 314–337. <https://doi.org/10.1108/JAOC-12-2011-0067>
- Remer, L., & Kattilakoski, H. (2021). Microfinance institutions' operational self-sufficiency in Sub-Saharan Africa: Empirical evidence. *International Journal of Corporate Social Responsibility ORIGINAL*.
- Roy, P., & Pati, A. P. (2019). Double bottom line commitments of microfinance: Evidence from Indian institutions. *International Journal of Social Economics*, 46(1), 116–131. <https://doi.org/10.1108/IJSE-08-2016-0240>
- Saeed, A., Javed, A. Y., & Noreen, U. (2018). Microfinancing, governance, and performance: A South Asian perspective. *Journal of Economics, Finance and Administrative Science*, 23(46), 247–265. <https://doi.org/10.1108/JEFAS-01-2017-0014>
- Shettima, U., & Dzolkarnaini, N. (2018). Board characteristics and microfinance institutions' performance: Panel data evidence from Nigeria. *Journal of Accounting in Emerging Economies*, 8(3), 369–386. <https://doi.org/10.1108/JAEE-01-2017-0006>
- Shukla, A., Narayanasamy, S., & Krishnakumar, R. (2020). Impact of board size on the accounting returns and the asset quality of Indian Banks. *International Journal of Law and Management*, 62(4), 297–313. <https://doi.org/10.1108/IJLMA-12-2018-0271>
- Tadele, H. (2020). Microfinance board and default risk in Sub-Saharan Africa. *African Journal of Economic and Management Studies*. <https://doi.org/10.1108/AJEMS-01-2020-0040>
- Tchakoute-Tchuigoua, H., & Soumaré, I. (2019). The effect of loan approval decentralisation on microfinance institutions' outreach and loan portfolio quality. *Journal of Business Research*, 94(September 2018), 1–17. <https://doi.org/10.1016/j.jbusres.2018.09.021>.
- Tehulu T. A. (2022). Credit expansion and financial sustainability of microfinance institutions: A generalised method of moments panel data analysis. *Cogent Business & Management*, 9(1). <https://doi.org/10.1080/23311975.2022.2140490>
- Thompson, R. M., Alleyne, P., & Charles-Soverall, W. (2019). Exploring governance issues among boards of directors within state-owned enterprises in Barbados. *International Journal of Public Sector Management*, 32(3), 264–281. <https://doi.org/10.1108/IJPSM-04-2018-0099>
- Thrikawala, S., Locke, S., & Reddy, K. (2016a). Corporate governance practices and performance of the microfinance sector. In *Corporate governance: Principles, practices, and challenges*, no. December.
- Thrikawala, S., Locke, S., & Reddy, K. (2016b). Board structure-performance relationship in microfinance institutions (MFIs) in an emerging economy. *Corporate Governance (bingley)*, 16(5), 815–830. <https://doi.org/10.1108/CG-12-2015-0166>
- Tjahjadi, B., Soewarno, N., & Mustikaningtiyas, F. (2021). Good corporate governance and corporate sustainability performance in Indonesia: A triple bottom line approach. *Heliyon*, 7(3). <https://doi.org/10.1016/j.heliyon.2021.e06453>.
- Uchenna, O. L., Adedayo, E. O., Ahmed, A., & Isibor, A. (2017). Corporate governance and financial sustainability of microfinance institutions in Nigeria. In *Proceedings of the 29th International Business Information Management Association Conference—Education Excellence and Innovation Management through Vision 2020: From Regional Development Sustainability to Global Economic Growth* (pp. 4035–4045).
- Uddin, M. N., Hamdan, H., Embi, N. A. C., Kassim, S., & Saad, N. B. M. (2020). Job satisfaction of female employees in microfinance institutions of Bangladesh. *International Journal of Entrepreneurial Research*, 3(1), 1–7. <https://doi.org/10.31580/ijer.v3i1.925>.

- Uddin, M. N., Hamdan, H., Saad, N. B., Haque, A., Kassim, S., Embi, N. A. C., & Agarwal, K. (2022). The governance structure of microfinance institutions: A comparison of models of sustainability and their implication on outreach. *Asian Journal of Economics, Business and Accounting*, pp. 104–23. <https://doi.org/10.9734/ajebe/2022/v22i11930662>
- Vafaei, A., Henry, D., & Ahmed, K. (2020). Board diversity: Female director participation and corporate innovation. *International Journal of Accounting and Information Management*. <https://doi.org/10.1108/IJAIM-06-2020-0080>
- Wale, L. E. (2015). Board diversity, external governance, ownership structure and performance in Ethiopian microfinance institutions. *Corporate Ownership and Control*, 12(3CONT1), 190–200.

**Md. Nazim Uddin** is a post-doctoral research fellow at International Islamic University Malaysia and a research fellow at Ankara University, Turkey. Dr. Uddin is also an associate editor for Nature's Humanities and Social Sciences Communications. He is the author of several books, many book chapters, and peer-reviewed articles. His research interests, which include microfinance, social finance, green finance and banking, corporate governance, sustainable finance, and the delicate realms of Islamic microfinance and Islamic banking and finance, are informed by this unique mix of theoretical and practical understanding.

**A. K. M. Ahasanul Haque** is a professor in the Department of Business Administration at International Islamic University Malaysia. He obtained his Ph.D. in marketing from the Graduate School of Management (AACSB), Universiti Putra Malaysia 2001. He published numerous books, book chapters, study modules, and research articles in internationally refereed indexed journals and many conference proceedings. He received several research awards for outstanding research. In addition, he is involved in many research grants locally and internationally and numerous consultancy projects such as World Bank Group, Telekom, Z-consulting, and others. He also serves as an editor-in-chief and an editorial board member of internationally indexed journals. His research interests cover the areas of retail marketing, Islamic marketing, digital marketing, international marketing, and consumer behavior.

**Md. Nuruzzaman** has been working as a full-time faculty member in the Department of Marketing at the University of Rajshahi. He has twenty-five years (25) of teaching and research experience at the university level at home and abroad. He produced more than 22 research papers published in reputed scholarly journals.

**Lutfun Nahar** is a dedicated Ph.D. candidate at Istanbul University in the Department of Islamic Economics and Finance and earned her master's degree at Sakarya University, Turkiye, where she was honored with the Turkish president's gold medal. Fueled by a blend of theoretical expertise and practical insights, her research focuses on Islamic Microfinance and Islamic Banking and Finance. Lutfun's pursuit of knowledge reflects her passion for unraveling the complexities of economic systems, contributing to the dynamic landscape of Islamic finance.

# The Role of Educational Research in Sustainable Development. The Reality of Sustainable Education in the Arab World and Future Perceptions



Hanan Arnous

**Abstract** In Islamic tradition, the Prophet emphasized shared responsibility for essential resources: water, pasture, and fire. This principle aligns with the 2023 United Nations Sustainable Development Goals. Education, pivotal for sustainable development, integrates prosperity with cultural traditions and environmental preservation. Sustainable education, crucial for present and future generations, extends beyond formal schooling, championed by governments and global organizations. This paper explores sustainable development, encompassing social, economic, and environmental dimensions, ensuring present needs are met without compromising future generations. Education emerges as a cornerstone, fostering skilled, morally conscious citizens, vital for sustainable progress. Educational research, employing scientific methods to solve societal educational challenges, plays a pivotal role. The research identifies obstacles in achieving sustainable development, spanning economic, social, political, and cultural spheres. It underscores global successes in sustainable education, citing Japan, South Korea, Canada, and the Netherlands as examples.

**Keywords** Sustainable development · Sustainable education · Educational research · Sustainable development challenges

## Introduction

It was narrated from Abu Hurairah that the Messenger of Allah “Peace be upon him” said: “Three things cannot be denied to anyone: **water, pasture, and fire**. It is an Islamic economic principle that is in line with the United Nations Sustainable Development Goals 2023. These three things are public utilities and necessities, provided to the public, which must be provided to those in need, and it is forbidden

---

H. Arnous (✉)  
Grenoble Ecole de Management, Grenoble, France  
e-mail: [hanan.ARNOUS@grenoble-em.com](mailto:hanan.ARNOUS@grenoble-em.com)

© The Author(s), under exclusive license to Springer Nature Singapore Pte Ltd. 2024  
J. Fraedrich et al. (eds.), *Contemporary Business Research in the Islamic World*,  
Springer Proceedings in Business and Economics,  
[https://doi.org/10.1007/978-981-97-5400-7\\_13](https://doi.org/10.1007/978-981-97-5400-7_13)

227



to prevent anyone from them. Because they are things that God Almighty has spread among his creation, and necessity calls for them, so preventing them or preventing someone in need of them from them is not permissible, and it is one of the things that the tolerant Islam hates.

Education is the key to sustainable development and the starting point for a renaissance in any people who have the will and determination to leave their bewildered conditions on the sidelines of a modern world that creates and produces goods and knowledge. Education that guarantees achieving a major shift in the lives of individuals and peoples, and can achieve sustainable development, is completely different in terms of its quality from what is in the education systems in the Arab region, despite their varying levels from one country to another.

Therefore, education for sustainable development is an educational vision that seeks to find a balance between human and economic prosperity, cultural traditions, and the sustainability of natural and environmental resources for a better life for the individual and society in the present and future generations as well (Jawad, 2020).

And that we must look at sustainable education as an education that tends toward sustainability, and this type of education is not provided by ordinary education only, but also by other sectors of society. Governments and international organizations are now focusing on organizing knowledge, supporting, and encouraging activities toward sustainable education, and promoting non-traditional methods given education.

Therefore, scientific research has become a necessity that cannot be bypassed because it is the only way to bridge the gap that separates developing countries from the developed world on the one hand, and on the other hand, our national achievements and our identity and our entity can only be preserved and strengthened through scientific research (Al-Mujeidel & Shammass, 2010, 23).

Scientific research is also one of the main pillars that higher education institutions employ to achieve this harmonization, as it is the basis of the human development process in any society. Scientific research, teaching, and community service represent the three main functions of university education. Educational research is an integral part of scientific research that is receiving increasing attention as it is concerned with the production of educational knowledge aimed at serving the issues and problems of education in the educational reality, whether at the theoretical or applied level.

This paper and intervention focus on the concept of sustainable development, the priorities of sustainable education, the different educational trends, strategies and currents, and the contemporary variables.

## **The Concept of Sustainable Development**

It is a development that considers the social and environmental dimensions as well as the economic dimensions for the proper use of available resources to meet the needs of individuals while preserving the rights of future generations.



That is, it is development to meet the needs of the present without negatively affecting the ability of future generations to meet the needs of the future (umanitoba.ca). The 2030 Agenda for Sustainable Development is the basis for pioneering global cooperation to achieve sustainable development (Unesco.org, 2022).

### **The Three Golden Components of the Concept of Sustainable Development are:**

- Protecting the environment: Effective use and management of natural resources, including water, forests, and energy sources, protection of biodiversity, establishment of natural reserves, protection from pollution, correct management of domestic, industrial, and agricultural waste, and development of sustainable agriculture (Unesco.org, 2022).
- Economic development: Poverty eradication, job creation, vocational training, and tourism development.
- Social development: Protecting and improving health, the participation of women and youth, and ensuring respect for human rights (Ramzi Salameh, UNESCO Regional Education in the Arab States, 2008).

Therefore, education is the main pillar of economic and social development and the key factor in its sustainability. If achieving human well-being in an economically, socially, and culturally developed society is the goal of development, then this cannot be achieved in the absence of an educated and skilled person, a productive citizen who contributes to building his society and developing his metropolis, and an educated individual who is committed to higher human and religious values and ideals, and who is proud of his civilization with his openness to other civilizations and other cultures (Al-Rasheed, 2006).

Sustainable development may be more a moral perception than a scientific concept, and it is basically a cultural issue related to the education that people live by, and it is a response to the needs that cannot be ignored in order to advance societies and establish a sound concept on which relationships are based (Abdullah, 2006).

## **The Concept of Educational Research**

It is an activity that uses the scientific method in studying educational phenomena within their societal framework, with the aim of solving educational problems and developing the educational reality for the better, in a way that increases the contribution of education in meeting the requirements of human development, leading to the comprehensive development of society.

## **Objectives of Educational Research**

- Adapting educational concepts.

- Improving efficiency and overcoming challenges.
- Critical analysis and discourse in education.
- Supporting teaching excellence.
- Enhancing learning and teaching environment.
- Promoting collaboration and professional development.

Therefore, educational research is a form of self-study or action research that incorporates critical and reflective thinking on existing practice, thus lending itself to new knowledge. It encourages investigation of learning, including what works and what does not. In order to ensure that the educational system is smooth and in continuous renewal, there should be open educational systems that provide a flexible framework for education, capable of adapting to the development of reality and its developments, not simply by inserting new fragments of knowledge into pre-ready boxes, but rather allowing for the integration of the new by remelting the old (Biro, 2006).

## The Importance of Educational Research

The importance of practical research is summarized in the following points:

- Developing the capabilities of the researcher through research and familiarity with the concepts and foundations on which educational research is based.
- Helps the researcher to choose the right problem identify the best methods to study it and reach good and appropriate results to solve it because the results of educational research must always be interpreted within the context that has been discovered because it may not be applicable in every time and place.
- Enabling the concepts of science, scientific research, and its methodology for the researcher, because when useful teaching and education methods are studied, their importance to the student can be understood.
- It provides the researcher with expertise through an analytical and critical reading of the research and its summaries and the extent of benefit from it in application and work.
- Those who need the results of educational research and education studies and methods will benefit from it.
- Educational research plays a vital role in the overall development of pedagogy, learning programs, and policy formulation.
- Educational research has many fields of knowledge, and this means that it is derived from different disciplines. As a result, the results of this research are multidimensional and may be constrained by the characteristics of the research participants and the research environment (Madani, 2013).

**The Relationship Between Scientific and Educational Research and Sustainable Development.** Scientific research is considered one of the jobs most closely related to university because it is the institution in which specialized human cadres are available

who can do it. The requirements of community development necessitate the existence of a relationship between the house of scientific research and development (Ahmed, 2005, 150).

Education in its relationship to development plays an active role in the development of human resources through first qualification, training, and preparation of workforce to implement development plans. Higher education is one of the most important educational institutions with a direct impact in supplying the labor market with specialized graduates in various fields (Jaafar, 2017, 108). Therefore, the admission procedures that universities undertake and the provision of various specializations for students embody the role of education in the development process.

Educational research in developed countries is considered the driving force behind educational decisions, and thus its importance appears in educational decision-making and educational policy-making through the information and alternatives it provides, and through researching the standards of good and effective learning aimed at educational officials, and defining these standards, which will be done in Its light evaluates the results, quality, and efficiency of the educational system (Brownell, 2002, 404).

Therefore, educational research is considered to provide the necessary information to answer research questions, solve problems, or develop the educational process and its components in terms of goals, content, activities, methods, methods, strategies, and evaluation, which will positively reflect on the teaching and learning process (Jaafar, 2017, 109).

## **The Role of Educational Research in Sustainable Development**

The United Nations Decade of Education for Sustainable Development aims to use the educational process to achieve sustainable development, and requires the development of educational, scientific, and cultural policies, plans, and programs to achieve human well-being and environmental balance ([en.unesco.org](http://en.unesco.org)). Therefore, education for sustainable development is an educational approach that aims to achieve a harmonious relationship between essential aspects of life and the preservation of natural and environmental resources to enhance the quality of life for everyone (Jawad, 2020). The Beirut Declaration also focused on its items.

Educational research for sustainable development in the Arab region aims to achieve a set of goals linked to the activities of the United Nations Decade of Education for Sustainable Development. As the followings: (UNESCO, 2008, 9–10).

- Highlighting the key role played by education and learning programs in the common pursuit of sustainable development.
- Facilitating the establishment of links and networks, exchange, and interaction between the concerned parties in the field of education for sustainable development.
- Providing space and opportunity to refine and enhance the vision of sustainable development and transform it into it through new and multiple patterns of teaching and learning and educating members of society of its importance.
- Work to improve the quality of teaching and learning in the field of education for sustainable development.
- Preparing strategies at all national and regional levels, to strengthen capacities in the field of education for sustainable education.
- Enhancing academic content: Incorporating critical topics like climate change, biodiversity, disaster risk reduction, consumption, and production into school curricula (Jawad, 2020).
- Redesigning the teaching and learning environment: Creating interactive, learner-centered approaches that encourage both exploratory and guided learning (Jawad, 2020).
- Encouraging the shift toward sustainable societies: Equipping learners with the necessary skills for green jobs and inspiring individuals to embrace sustainable lifestyles (Jawad, 2020).
- Cultivating global citizenship: Engaging in impactful roles at local and global levels to address and resolve global challenges, fostering active participation in building a more just, peaceful, tolerant, secure, and sustainable world (Jawad, 2020).
- Emphasizing learning outcomes: Encouraging learning and enhancing essential skills such as critical and systemic thinking, collaborative decision-making, and taking responsibility for the well-being of current and future generations (Jawad, 2020).

## **Educational Curricula in the Environment and Sustainable Development**

While there are no set teaching methods for sustainability education, there is widespread consensus on the effectiveness of utilizing interactive and participatory learning approaches that actively involve learners and significantly impact their understanding, critical thinking, and ability to act appropriately. Consequently, five educational components encompassing a variety of instructional methods have been recognized in the context of methods in the learning environment for sustainability: (Jawad, 2020; Plymouth.ac.uk, 2022).

1. **Encouraging critical thinking** through educational publications and group discussions.

2. **Promoting systematic reasoning and analysis** using real-world case studies, critical incidents, project-based learning, simulation activities, etc.
3. **Emphasizing participatory learning** through group or peer learning, dialogue enhancement, experiential learning, research-based learning, action-oriented learning, and the creation of case studies in collaboration with community and business entities.
4. **Fostering creative thinking** through activities such as role-playing, real-world exploration, envisioning future scenarios, problem-based learning, and more.
5. **Facilitating cooperative learning** by incorporating work-based learning and introducing the concept of collaborative inquiry.

## Challenges in Achieving Sustainable Development

Arab economies are exposed to great challenges and pressures, foremost of which are the scientific and technological revolution, economic globalization, and the phenomenon of international and regional economic blocs, especially after the emergence of new features of the new global economic system, and the accompanying expansion and acceleration of economic and trade relations among the different countries of the world, and acceleration of the integration of national economies into the global economy, which requires Arab economies as they face challenges to work on determining their future options, in a way that makes them able to invest the positive effects of these changes, adapt to them, and avoid or mitigate the negative effects.

There are challenges that represent obstacles in the way of achieving sustainable development. These include: (Jaafar, 2017, 73–91).

- Economic challenges. Such as the overuse of natural farms, the increase in energy consumption in response to industrialization, urbanization, societal affluence, and a very uneven distribution. Which resulted in environmental risks, the most important of which are climate change, air pollution in industrial cities, and the use of nuclear energy. Unsustainable economic growth, and the globalization of the economy, lead to an increase in the depletion of natural resources and environmental degradation and weaken international agreements concerned with environmental protection, development support, and human rights (Muhammad, 2003, 187).
- Social challenges. Poverty, unemployment, and the lack of societal justice with the unequal access of people to the same opportunities. In addition to illiteracy, despite the disappearance of illiteracy in several regions of the world, the reality of illiteracy in the Arab world is still high in addition to digital and technological illiteracy.
- Environmental challenges include pollution, environmental stress or environmental imbalance, and water scarcity.
- Rising water consumption at rates that exceed the rates of water resources in the Arab countries. Estimates indicate that the water deficit is present in the Arab world, where it is expected that the number of Arab countries suffering from

water poverty will reach nineteen countries by the year 2025. This is due to the increase in the population and the decrease in the per capita share of water to less than one thousand cubic meters annually, which is the rate set by the United Nations to measure the level of water poverty for countries (Jaafar, 2017, 81).

- Political challenges. Such as security, freedom of opinion and expression, the participation of civil society in crucial decision-making, and population growth, especially in the Arab world, which is expected to reach 548,033 million in the year 2035. Population increase will be a burden on development (Jaafar, 2017, 83).
- Technical challenges. Inequality in technical capabilities, production forces, and disparity in the possession of knowledge and its tools. The digital divide, that is, the information gap between the developed and the developing world. Technology transfer to developing countries that lack success because of horizontal transfer, not vertical transfer in addition to the problems that result from the increasing amount of waste, its toxicity, damage to the environment, and the lack of clean technology.
- Cultural challenges. The invasion of cultural globalization penetrated all social and personal characteristics, which changed many of the knowledge and values that were taken for granted, such as the technological digital community that has made social humanity lose its privacy and identity. Industrial globalization is indifferent to the global environment. And military globalization, which puts the value of man in the last of his interests. In addition to the information knowledge challenge due to the knowledge and technological revolution and the information society. Therefore, every technological invention has a role in societal culture that affects the thinking, values, and behavior of those who deal with it or use it.
- Educational challenges. Spending on education, brain drain, especially brain drain and Arab skills, which constitute the highest global rates. As 45% of Arab students who study abroad do not return to their home countries after obtaining university degrees (UNDP, 2003, 188). The most important manifestation of the decline in the level of education, including university education, in the Arab world is the failure of education to perform its developmental role in various fields. The dichotomy between education, employment, and development, so that the process takes place in isolation from the needs of the labor market. In addition, the failure of the educational process to raise young people to adhere to the public interest and achieve a positive balance between teamwork and personal excellence.

## **Therefore, Sustainability in the Educational Field is Evident in Two Things**

**The first matter:** It is the ability of the educational system in any country to include outputs capable of continuing education and self-qualification in the frameworks of educational institutions to develop their sufficiency in line with the requirements of the labor market in terms of science and knowledge. **The second matter:** It is the

ability of the educational system to ensure outputs mixed with the spirit of initiative, to search for itself in the market of curricula, ideas, tools, and mechanisms for what can help it to continue its creativity (Jaafar, 2017, 91).

Ways to face challenges: There are measures to strengthen scientific research, especially educational, to take an active role in the economic development process:

- Restructuring the national technological development system.
- Raising the level of funding allocated to research and development from the gross domestic product.
- Providing incentives to the private sector to encourage them to spend on research and development, such as tax exemption or the use of sales taxes for scientific research and technological development.
- Giving primacy in the field of research and development to the acute problems facing the Arab world, and requiring rapid response to them, such as the problems of water shortage, deterioration of land and forest resources, low economic performance, and poverty (Jaafar, 2017, 94).

## **Human Resources and Their Role in Sustainable Development**

Scientists have emphasized the importance of the role of man and his effective and positive influence in the process of sustainable development and in the effectiveness of the elements of sustainability. These elements would not have that effectiveness without man, and developing the human element plays an active role in sustainable development through the optimal use of resources, thus maximizing and increasing the national product. A function of human development and its resources and the relationship is considered reciprocal.

Thus, the extreme importance of the human element and the creative energies it possesses is considered the first productive element in sustainable development processes. The processes necessary to create the material means required to achieve an appropriate level of sustainable development and high rates of development cannot be of any benefit at all without the human factor being the primary driver of the process, if it has a level of development, openness, and self-motivation. The experience of economic development has clearly demonstrated that qualified cadres, their professional, scientific, and tactical knowledge, and productive and administrative experience are some of the essential elements of collective reproduction that often determine the course and prospects of the sustainable development process.

In this regard, the United Nations conference held in Cairo in 1966 AD on the industrialization of African countries indicates that the extent and quality of people's qualifications are considered a major factor for progress and that the shortage of qualified and experienced work is the main reason that prevents sustainable development. A previous study was in 1962 AD by the Organization UNESCO which believes that the increase in average per capita income as a result of the improvement in human

factors is greater than the expected increase in returns, and a number of administrative studies that specialized in researching investment in people at the project level were able to prove that spending on training leads to an important increase in production capacity to achieve Development, spending, raising the efficiency of workers, and improving methods of performing work increased the number of units produced for the same period, which reduced the cost.

In this regard, Joson states that sustainable development depends to a vital degree on the formation of a workforce that has the technical skills necessary for modern industrial production and is supported by a philosophy that calls for absorbing economic change. Interest in the issue of creating human resources and increasing investment in people increased after World War II for the following reasons:

- The significant increase in natural resources in developed countries can be explained by the important level of investment in human resources.
- The human element, with its ability to innovate, create, invent, and develop, can overcome the scarcity of natural resources and not make them an obstacle to growth and progress, and through the best, if not optimal, exploitation of society's scientific and developmental energies, as well as the rational exploitation of natural resources, it becomes clear to us. The importance of the human element represents the foundation for achieving sustainable development in all fields (Siraj, 2012).
- The interest in sustainable development has increased in underdeveloped countries that have continued to suffer from backwardness despite gaining their political independence due to the focus on systems that have isolated people and made them lose control over their surroundings, making them unable to express their potential energy.

It is clear from the above that the formation of human resources has become one of the most important and urgent issues as it is the necessary process to mobilize, formulate, and develop human capabilities and competencies to achieve sustainable development. The outlook toward human resources has changed due to the importance it enjoys, as the latter is considered one of the most important productive elements that can contribute to achieving development. It is mental energy, intellectual ability, and a source of information, creativity, and producing new things. It indicates that the importance of human resources is not without education, as the better educated. This leads to more progress and excellence in various fields. Development is a societal process in which all groups, sectors, and groups must contribute, and it may not be relied upon by a few groups or a single resource.

Sustainable development is a conscious process, which means that it is not a random process, but rather a process with specific goals with a long-term strategy, goals, plans, and programs. Development is a process directed according to development will that is aware of societal goals, is committed to achieving them, and could achieve efficient use of society's resources in production and distribution according to a civilized method that preserves the energies of society.

The importance of creating structural transformations. This represents one of the capabilities that characterizes the process of sustainable development through three



systems: a vital resource system, an economic system, and a social system. The latter means providing social justice for all segments of society (Mamoun, 2011).

One of the priorities of the human dimension to achieve sustainable development is to reduce and address the issue of poverty, which includes insufficient access to resources, drinking water, health care, population, education, and civil and political rights. To address poverty, achieve sustainable development, and provide a safe and healthy environment for all, sustainable development calls for policy evaluation prevailing to determine the extent of their effectiveness and whether sufficient human and financial resources have been allocated to implement them. Education in the field of the environment would also build a better knowledge base for making informed decisions. Increasing the allocation of financial resources to national environmental institutions will enable local authorities to fulfill their current responsibilities and confront any problems. Emerging, the human element and the youth population constitute an important asset for countries. Increasing commitment and investment and upgrading education, training, health, and housing at all levels constitute a major component of any strategy for sustainable development. The emergence of rapid scientific and technical change with the emergence of innovative technologies such as those related to information, communication, and current technology indicates the increasing need for countries to be able to consolidate their capabilities. In this context, the human resource for sustainable development requires:

- Support national action plans and programs to alleviate poverty, increase per capita income, and enhance the role of women.
- Capacity building, supporting youth, and giving greater importance to vocational education, appropriate training, and sound management of human resources.
- Focus on strengthening the capabilities of institutions working in the field of social development and enhancing the role of non-governmental institutions and the private sector.
- Assisting in transferring appropriate technology and developing capabilities in the field of scientific research and benefiting from the technical support available from international institutions and organizations in this field (Ammari, 2008).
- Strengthening ties with international institutions, funding agencies, and United Nations institutions related to social development.
- Supporting health, educational, and social services institutions financially and technically so that they can conduct their tasks to serve society and promote development.
- Working to integrate women into the sustainable development process, especially in implementing and planning projects, and increasing women's awareness in the field of natural resource conservation.
- All the economies of the world are based on the human element, so attention should be paid to it. Sustainable development seeks to achieve the optimal level of caring for and promoting human resources in all its dimensions, which is the full use of human resources, by utilizing all human energies represented in ideas, creativity, and inventions, and allocating all resources to support talent in all fields; sustainable development interacts strongly with other dimensions of sustainable

development. Healthy and educated individuals, along with their availability of good nutrition, help development, and the concentration of the population in major cities lead to a decrease in the individual's chances of obtaining health services and education, as well as the occurrence of profound consequences for the environment and surrounding natural systems (Eid, 2013).

The natural resource base of a country represents the common heritage of all its generations, and the tendency to destroy this gift indiscriminately in pursuit of short-term economic goals leads to inflicting punishment on present and future generations (Al-Hindi, 2008).

## **Educational Research and Examples from Global Experiences**

Human resources are considered one of the components of achieving sustainable development, which has become the “wealth of nations” in the era of globalization. This is practically confirmed by the experience of emerging economies that focused in their development strategy on the priority of the human element, as the process of interest in the human element is linked to the process of development theories. The development of the human element is seen as a means of achieving sustainable development and is an integral part of the currency, and since the quality of the human element, its knowledge and skills are affected by many factors, including education, training, and others, and since the development of human resources is considered the basic and important basis on which knowledge and skills are built and developed societies believe in the value of the individual and the status of the human being, as it represents It has the most precious resource and the largest asset that it abounds with for its continued growth and development. It spends on its formation many times more than it spends on the development plans themselves because of its firm belief that the costs and expenses it incurs for the sake of human development are in fact nothing but an investment in the future with many diverse direct and indirect returns that affect all aspects of life.

Education and development are the greatest investment in human resources. Governments are doing everything in their power at all levels, so human resources development has gained special importance as a basis for achieving sustainable development. Good human resources health is also linked to their development performance, as a healthy person not only works more efficiently but also devotes time. Societies that witness an improvement in the general health level achieve higher rates of sustainable development. Conversely, the spread of diseases, especially epidemic and incurable diseases, hamper development efforts. Development performance in developing countries weakens. Paying attention to health is a way to advance development and raise growth rates in various fields. It is also a priority in poverty reduction programs in low-income countries, but due to the lack of resources, poor countries

are unable to allocate the necessary spending on health, as their allocations remain small.

Innovative experiences in Japan and South Korea have proven that countries that pay increasing attention to the research and development system are the ones that can create economic miracles in standard time periods. Therefore, the best way for Arab development to achieve its goal is embodied in the strength of the Arab research and development system, which is still weak and unable to achieve creative interaction between institutions, research centers, and the different sectors of the economy.

Canada is also a model of government cooperation with educational institutions to organize the process of employing young workers (12 below 18 years) in suitable jobs within certain limits of hours that are forbidden to exceed during the vacation period. Provide government support for them in developing their physical, social, and mental skills and the ability to judge matters and provide legal protection for these young workers from the abusive tendencies of their employers. This is the result of scientific and educational research studies in sustainable development (Bowel et al., 2014).

We also find that schools in Dutch society have a special philosophy in dealing with teachers and students, as they are managers who specialize in management, who not only manage and organize the school but also contribute to developing educational ideas and overcoming all that is an obstacle in order to expand the scope of professional work, which the school sees. It is applied to its principals and teachers. Indeed, there is continuous monitoring by school principals over teachers to identify their strengths and weaknesses and take appropriate solutions to address weaknesses (Amin, 2022).

## References

- Abdullah, M. A. (2006). The third Arab forum discusses education and sustainable development in the Arab world. In *Al-Riyadh newspaper* (Vol. 13820).
- Al-Mujeidel, A., & Shamma, S. (2010). *Obstacles to scientific research in faculties of education from the point of view of faculty members—a field study*. Salalah College as a Model, Damascus University Journal of Educational and Psychological Sciences, Damascus University.
- Amin, O. (2022). A pioneering Dutch experiment in the development of education, overthrew the traditional curriculum and the tasks of the teacher and the student. Aramco Saudi Arabia. Caravan Magazine. <http://qafilah.com/>. Checked it out on May 11, 2022.
- Ammari, A. (2008). *The problem of development and its dimensions, an intervention presented within the activities of the third international forum: (sustainable development and efficiency of use of available resources)* (pp. 08–10). Farhat Abbas Setif University, Faculty of Economics and Management Sciences.
- Arab Regional Conference on Higher Education. (1998). *Beirut Declaration on Higher Education in the Arab States for the 21st Century, Regional Conference*. Beirut, Lebanon.
- Bin Ahmed Al-Rasheed, M. (2006). Former minister of education in the Kingdom of Saudi Arabia. The Third Arab Forum discusses education and sustainable development in the Arab world. In *Al-Riyadh Newspaper* (Vol. 13820).

- Biro, A. (2006). Understanding of education for sustainable development. In *The third Arab forum discusses education and sustainable development in the Arab world* (Vol. 13820). Al-Riyadh newspaper.
- Bowel, P., Craig, J., & Kelndorfer, M. (2014). *The protection of young workers in Canadian Employment Law*. <https://lawnow.org>. Retrieved November 5, 2022.
- Brownell, W. (2002). *Criteria of Learning in Educational Research, Educational Psychology* 84(4). Education for Sustainable Development|The Centre for the Advancement of Teaching and Learning|University of Manitoba (<https://umanitoba.ca>). <https://umanitoba.ca/centre-advancement-teaching-learning/support/sustainable-development>
- Eid, B. D. (2012/2013). The economic institution between its goals and achieving sustainable development (a case study of the National Sonatrach Corporation), (a memorandum for obtaining a master's degree, Faculty of Economics and Management Sciences, University of Kasdi-Merbah Ouargla) (p. 8).
- Jaafar, F. (2017). Educational research and its relationship to sustainable development—a case study on Cairo University. *Educational Sciences*, 3(3).
- Jawad, Z. R. (2020). *The extent of achieving the dimensions of sustainable development in university education from the viewpoint of the students of the chemistry department*. University of Mustansiriyah College of Basic Education.
- Mamoun, A. M. N. (2011). *Sustainable development, security and life magazine* (Vol. 361, pp. 57–59).
- Nawazd A. R. A.-H., & Al-Hindi. H. I. (2008). *Sustainable development in the State of Qatar achievements and challenges* (p. 13). Permanent Population Committee for Publishing and Distribution.
- Pater Muhammad Ali received you (2003). *The World is Not for Sale*, Al-Ahliyya Amman University, Amman.
- Siraj, W. (2012). Human resources development strategy as an input to improving sustainable performance in the economic institution (p. 29). Case Study of the Industrial and Sanitary Supplies Manufacturing Company in Ain Kebira Setif.
- UN Decade of ESD (2008) (<http://unesco.org>). <https://en.unesco.org/themes/education-sustainable-development/what-is-esd/un-decade-of-esd>
- UNESCO. (2007). *Regional guiding framework of education for sustainable development in the Arab Region*. UNESCO Regional Bureau for Education in the Arab States, Beirut.
- UNESCO. (2022). Education for sustainable development, <http://unesco.org>. Retrieved May 11, 2022.
- United Nations Development Program: Arab Human Development Report. (2003). *Towards establishing a knowledge society*. Regional Office for Arab States, Amman.
- University of Plymouth (2022) What is education for sustainable development? Enabling every human being to acquire the knowledge, skills, attitudes, and values necessary to shape a sustainable future. Retrieved November 5, 2022.

**Hanan Arnous** is a doctoral candidate at the faculty of business administration in Grenoble Ecole De Management. She holds a bachelor's degree in management from the University of Applied Sciences and a master's in business administration from Athabasca University in Canada

Arnous works as a business consultant and has provided many different courses in sustainable strategic management. She chaired several academic committees for the College of Commerce and Economics in particular and general committees for the university, participating in local and international conferences in the fields of management and business development in addition to internal supervision and student guidance services.

# Impact of Advertising on the Buying Behavior of Gen Z Indian Muslim Consumers



Rajasekhara Mouly Potluri, Afreen Mohammad,  
and Kareemunnisa Mohammad

**Abstract** The study examines the influence of advertisements on the buying behavior of Gen Z Muslim Indian consumers. Gen Z represents a significant consumer segment with unique values, preferences, and behaviors. Understanding advertisements' impact on buying decisions is crucial for marketers aiming to engage this consumer segment effectively. Through a comprehensive literature review and analysis of primary data, this research explores how advertisements influence the purchasing behavior of Gen Z Muslim Indian consumers. The ANOVA results show a significant difference in the type of media advertisements watched and what attracts individuals to ads. However, no significant differences exist in the motivation to purchase based on ads or the satisfaction levels with advertised products and their usage. The study provides valuable insights for marketers seeking to target and engage Gen Z Muslim Indian consumers effectively. By understanding the influence of advertisements and implementing culturally sensitive and ethical advertising strategies, brands can establish authentic connections, build trust, and drive consumer loyalty within this segment. The study provides information about Indian Muslim consumers of the said generation, their buying habits, and the factors influencing them. It presents an opportunity to adjust to customers' aspirations, desires, and shifting options. The research is the first of its kind, and it studies the impact of advertising on Indian Muslim Gen Z consumers' buying behavior.

**Keywords** Advertising · Buying behavior · Islam · Muslim consumers · Gen Z consumers · India

---

R. M. Potluri (✉) · A. Mohammad · K. Mohammad  
Department of Business Management, V. R. Siddhartha Engineering College, Vijayawada, Andhra Pradesh 520007, India  
e-mail: [prmouly24@gmail.com](mailto:prmouly24@gmail.com)

© The Author(s), under exclusive license to Springer Nature Singapore Pte Ltd. 2024  
J. Fraedrich et al. (eds.), *Contemporary Business Research in the Islamic World*,  
Springer Proceedings in Business and Economics,  
[https://doi.org/10.1007/978-981-97-5400-7\\_14](https://doi.org/10.1007/978-981-97-5400-7_14)

241

## Introduction

In today's highly competitive business world, maintaining persistent communication with the target market consumers is essential by introducing all promotional mix elements such as advertising, sales promotion, public relations, personal selling, and direct marketing. In all the promotional mix elements, advertising is vital in influencing buying behaviors by shaping consumers' perceptions, attitudes, and purchase intentions. Through advertising, marketers can affect how consumers perceive a product or brand, creating a favorable image and positioning in the minds of consumers (Aaker, 2021). Advertising significantly impacts viewers' minds in our information age (Dinu & Dinu, 2012). Newspapers, periodicals, television, and the internet may all be used to disseminate information. Advertising is a helpful technique to persuade, educate, and sensitize the audience. One of the most effective means of communication is advertising, which is projected to an audience (prospects and potential customers) and strikes their thoughts, causing them to express a readiness to buy the product based on the information at their disposal. The only accurate and effective advertising tries to develop devoted customers via creating a powerful brand image, strong impact, and precise personality validation in the commercial. These factors all serve as factual underpinnings for the implications of advertising on consumers' purchasing decisions. The consumer is more likely to associate advertisements of brands with emotional values and messages. Positive emotional appeals through promotion provide a strong brand cue and stimulate category-based processing. Nowadays, advertising facilitates consumers to try to categorize brand association with their existing memories, and they might reposition memories to outline a brand image and perception toward new products (Tariq et al., 2013). Advertising is a method of communication that gives viewers information and encourages them to buy a product or service. Advertising is often a for-profit method of exposure or promotion by a sponsor that reaches through various contemporary and conventional media, including blogs, websites, newspapers, commercial radio, magazines, mail, and outdoor advertising (Ahmed & Ashfaq, 2013). The opportunities of the Muslim economy expand even more Muslim majority countries. There are more than 350 million Muslims, like minorities around the world, who are increasingly emphasizing their religious feelings in the market. Muslims are aware of their identity and are more attentive to the demands of their religion. Considering their professional needs and evolving mindset, Muslim consumers create complex challenges for international marketers who generally ignore religious aspects in their marketing programs. Muslim Gen Z consumers who follow Muslim ideas and values comprise a sizeable section of the world's Muslim population. A specific collection of cultural, religious, and societal elements affects their purchasing behaviors and consumer choices. Marketers and companies looking to engage and cater to this population must comprehend how advertising affects their buying habits. By understanding the influence of advertising on the buying habits of Muslim Gen Z consumers, businesses can devise targeted and culturally sensitive marketing strategies that appeal to this critical consumer segment. By acknowledging their values, aspirations, and unique

consumption patterns, marketers can forge meaningful connections with Muslim Gen Z consumers and build long-term brand loyalty. The researchers have initiated the current research to examine the impact of advertising on Indian Muslim consumers' buying behavior.

## Literature Review

The literature review section outlines significant theories and models related to advertising and consumer behavior. The section thoroughly discussed previous studies and findings on the influence of advertising on consumer behavior. Marketing and advertising play a most crucial role in molding consumer behavior. Many factors broadly influence the consumers' buying behavior, such as cultural, social, personal, and psychological factors. However, advertising and marketing directly impact the buyer's decision-making process. Specifically, advertising is a powerful tool many marketers use to create awareness, enhance demand, and increase sales, regardless of the sector and magnitude of their business. A broad comprehension of the effect of advertising on consumer behavior involves a theoretical foundation. Numerous theories and models have been purported to describe the relationship between advertising and consumer behavior. The Elaboration Likelihood Model (Petty, 1986) advocates that the persuasive impact of advertising depends on the individual's level of cognitive processing and involvement with the advertisement. In contrast, the AIDA model (Attention, Interest, Desire, Action) theorizes that advertising creates awareness, captures attention, generates interest, stimulates requirements, and ultimately advances consumer action (Kotler & Keller, 2022). Many preceding studies have examined the impact of advertising on various dimensions of consumer behavior. For instance, it was found that persuasive advertising messages significantly influence consumer attitudes toward a brand, leading to increased purchase intentions. Similarly, another study revealed that emotional appeals in advertising can elicit positive emotional responses from consumers, positively impacting their purchase decisions.

The researchers (Chan et al., 2007) examined the connection between advertising and customer purchasing behavior. The survey involved 563 respondents—275 from China and 288 from Germany—and was performed among Chinese and German customers. Data was gathered from 5 Chinese and German universities. The study's empirical findings showed that Chinese respondents were less likely than German respondents to accept offensive advertisements. The results indicated that the dimensions of advertising perceptions among German and Chinese respondents differed. The study also discovered that consumer intentions were significantly influenced by how people perceived advertising. Academicians like Hussain and others (2008) studied how the design of advertisements affected how consumers responded to them. Thirty respondents, fifteen from each of the two groups, were used in the study. The study's findings demonstrated that serious and hilarious advertisements had a more substantial impact on consumer attention. Empirical results also



suggested that amusing commercials were more effective at attracting customers than serious ads. Researchers in Resita (Romania) did an empirical study examining how advertising affected customer behavior (Dinu & Dinu, 2012). For the study's empirical analysis, three hundred thirty-six residents of Resita City were included in the sample. The study's conclusions showed that advertisements impacted how people bought things. Researchers examined how advertisements affected customer behavior (Rasool et al., 2012). Consumer buying behavior is essential in all marketing strategies to supply extreme market output. Academicians worldwide have conducted many studies on the importance of discerning buying behavior and factors influencing buying behavior, including all the promotional mix elements. The study was initiated by Zhao et al. (2022) to conclude how advertisement influences consumer buying behavior and brand loyalty by contemplating a moderator between brand awareness and the facilitating role of perceived quality. The findings confirmed that advertisements substantially predicted brand awareness, loyalty, and consumer buying behavior.

One hundred fifty people who responded to a study on five different varieties of dental paste were surveyed. According to the study's findings, advertisements substantially impact consumer behavior. Consumer income also influences whether they buy expensive goods, and repeated advertisements do not affect their choice. Others (Malik et al., 2014) conducted a systematic study to investigate the influence of advertising on consumer purchasing behavior. Questionnaires were used to collect the primary data from two hundred people in Gujranwala. Investigations have proven a substantial positive correlation between advertising and consumer purchasing behavior. The positive impact of advertising on consumer purchasing behavior was confirmed. This study argued that advertising is dynamic, especially in behavioral regression. The survey offers valuable data, including spending patterns, purchase motivations, media preferences, financial habits, and parental preferences for young consumers, all crucial to the local business community. Four hundred young Kazakhstani consumers conducted in-depth interviews with the researchers and completed two questionnaires (Potluri et al., 2010). The study plans to determine the factors influencing Gen Z consumers' impulse buying behavior and the flow experience in social commerce (Hoang & Khoa, 2022). This study has shown six factors affecting flow experience from a theoretical review and a review of related studies, including concentration, perceived risk, website/app quality, informativeness, enjoyment, and online advertising value. The empirical evaluation of data from 283 customers with previous social media purchase experience was carried out using the research model, the Partial Least Squares Structural model. The research emphasized understanding young consumers and their buying behavior for purchasing products in the context of social media engagement is the most complex (Stoica & Hickman, 2024). Astonishingly, the influence of guerilla advertising campaigns on the buying behavior of Gen Z consumers was initiated by Alcantara et al. (2024), which are attractive, cost-saving, and strategically creative. The same study emphasized that guerilla marketing is a new and innovative kind of advertising campaign that provides information on consumer behaviors in terms of different factors that affect their purchasing intent, such as novelty, aesthetics, surprise, and humor.



Brilliant retailing strategies and cooperation with Gen Z depend on their assumptions, ideas, and suggestions. Through cutting-edge technology, this generation enjoys greater autonomy and lightning-fast transactions. Providing adequate instruction on these innovative retailing applications enables them to make highly informed purchasing decisions (Priporas et al., 2017). Another group of academicians (Fatima & Lodhi, 2015) revealed that advertisements aid in the company's efforts to raise customer awareness and that promotions significantly impact how customers perceive the company, either positively or negatively. The information that people typically acquire from advertisements can help them gauge the quality of products. Consumers' buying decisions are influenced by their perception of the product's quality, awareness, and opinion. The study provides in-depth insights into advertisements' role in shaping consumer behavior and critically evaluates the factors influencing purchasing decisions. Abuznaid (2020) states Islam significantly impacts consumer behavior, social interactions, and interpersonal relationships. Muslim teachings have established the foundations for ethical, moral, and sound behavior. Muslims should act and behave following the teachings of the Prophet and the Qur'an. The creator talked with 20 Muslim purchasers in 4 malls in Hebron governorate, 80% of whom were male. Seventy percent of the remaining females were married. Each interview was conducted separately.

Customers were asked about their marital status, spending habits based on income, their reasons for buying, and how advertising affected their buying decisions. Another notable research emphasized that attitude, subjective norm, religiosity, knowledge, and halal labeling positively and significantly impact consumers' purchasing decisions (Choirunnisa & Firmansyah, 2021). Concerning Gen Z consumer-related research, academicians from Indonesia published a research paper. They found that religious belief, exposure, and health reasons are essential in increasing halal awareness and knowledge and positively contribute to growing interest in buying halal food (Febriandika et al., 2023). Many studies have been published on the influence of advertisements on general Muslim consumer buying behavior (Haider & Shakib, 2018). Furthermore, some research studies shed abundant illumination on the purchasing behavior of youthful Indian Muslim customers and the views of their parents, which will be helpful in the corporate world in formulating marketing strategies (Potluri et al., 2013). Another study finds social media marketing more effective than the traditional marketing method on Gen Z, indicating that social media marketing positively impacts their buying intention, brand awareness, product perception, brand loyalty, and customer-business interactions (Ninan et al., (2020).

## **Theoretical Framework**

The business world has been treating advertising as a powerful promotional tool to bridge the gap between marketers and markets. The marketing community always treats advertising as an influential communication tool, which acts as a channel to inform and educate consumers about the product and its benefits. Marketing means

meeting market needs profitably by running a business and letting people know about it. Some skeptical views spread in the corporate and academic worlds on advertising influence consumer behavior in terms of their choices and purchases. An extensive review indicates that while the relationship between advertising and consumer behavior can sometimes be unpredictable, approximately 84% of the analyzed articles demonstrate a predominantly positive correlation. However, the paper concludes that the impact of advertising on consumer behavior remains highly subjective and cannot be universally generalized. This dynamic interplay is influenced by various factors, including the type of advertising utilized, the product's characteristics, and demographics, such as gender, age, education level, and religiosity (Falebita et al., 2020). In a parallel study aimed at enhancing understanding in the field, researchers sought to identify physiological and neurophysiological studies applied to advertising. Their objective was to address the fragmented comprehension among marketers and advertisers regarding consumers' mental responses to advertising (Alsharif et al., 2024). Reflecting on the significance of advertising, Britt (1950) famously likened conducting business without advertising to winking at a girl in the dark: you may know what you're doing, but nobody else does. Today's marketing landscape has transitioned from a 'hunting' approach to a 'gardening' mentality (Kotler & Keller, 2007; Morgan, 1991). In this context, marketing strives not only to identify the right customers for a company's products but also to foster innovation and creativity in developing products tailored to the market's needs.

Numerous comprehensive research studies conducted by academicians have focused on understanding the impact of various advertising forms on Muslim consumers' buying behavior. One survey by Rehman and Zeb (2023) found that social advertising and brand image are positively associated with the purchasing behavior of Muslim consumers toward fashion clothing brands during Ramadan. Social advertising also showed a positive relationship with brand image. Contrary to expectations, research from the UAE by Nickerson et al. (2023) demonstrated that an Islamic appeal in advertisements does not positively influence the attitudes or buying intentions of Muslim consumers, regardless of their religiosity levels. It also negatively affected the purchasing intentions of Christian customers in the Dubai market and those who did not specify their religious affiliation. In an exploratory study involving Indonesian and French Muslim consumers, Firdaus et al. (2023) discovered variations in the influence of behavioral factors on the purchase behavior of Halal-labeled food products. Notably, emotional value did not significantly affect purchase behavior among Indonesian consumers, and the linkage from image to purchasing behavior was weak in the French sample group. Avrillia and Hapsari (2023) highlighted that influencers have minimal impact on purchase intention among Muslim consumers, with attitude toward advertising and brand attitude as significant mediators in this relationship. Furthermore, research from Pakistan by Waqas et al. (2023) investigated using various nudges in advertising and personal selling to enhance purchase intention and sales of mutual funds among Muslim consumers. These nudges incorporate Islamic beliefs and values, including religious cues, values, and spiritual elements, and highlight halal aspects of investment strategies. These studies underscore the complex interplay of advertising, religious appeals, and consumer behavior within Muslim

markets, shedding light on the nuanced factors influencing purchasing decisions in these contexts.

Many researchers, primarily from Middle Eastern and other Islamic countries, extensively conducted numerous studies on the impact of different advertising, mainly outdoor and digital advertising, on their consumers' buying behaviors and specific products. The most prominent one in this category is a study from Jordan. The survey from Jordan aims to find out the influence of digital advertising through social media on buying behavior and point to fast-food consumers. The survey focused on a single independent variable, assessed across six dimensions: characteristics of digital advertising, stimuli in digital advertising, the content of digital advertising messages, interaction with digital advertising, ease of access to digital advertising, and credibility of digital advertising through social media. The dependent variable studied was buying behavior. The study yielded several significant findings, chief among them being the substantial statistical impact of digital advertising on buying behavior. This impact was viewed positively, as it enhanced the buying behavior of fast-food consumers in Jordan, influencing their purchasing decisions. Furthermore, electronic advertising had explanatory power in predicting buying behavior, accounting for 75% of the variance (Azzam et al., 2023).

Academicians from Pakistan have initiated additional extensive research to identify how Muslim consumers' attitudes toward offensive advertising contribute to the generation of negative emotions and behavior. The study examined the interplay of brand hate in the relationship between attitudes toward offensive advertising and brand retaliation. It also acknowledged the preliminary implicit impact of religiosity on attitudes toward offensive advertising and brand retaliation via brand hate. Results indicated a positive correlation between attitudes toward offensive advertising, brand hate, and retribution.

Moreover, the conditional indirect influence of religiosity on attitudes toward offensive advertising and brand retaliation was found to be significant (Noor et al., 2022). A notable study conducted in Malaysia delved into the correlation between attitude functions and attitudes toward social media advertising and their impact on purchase intention. The research highlighted that utilitarian, value-expressive, ego-defensive, and religiosity attitudes significantly shape attitudes toward social media advertising, while the knowledge function was deemed insignificant. Moreover, attitudes toward social media advertising notably influenced purchase intention (Kamalul Ariffin et al., 2022). Examining consumer behavior from an Islamic standpoint, the significance of the halal concept for Muslim consumers emerges prominently. This study scrutinized the direct and indirect influences of the halal label, halal awareness, food ingredients, advertising, and purchase interest on the decision-making process regarding Samyang noodles. It concluded that a halal label significantly boosts purchase intention, while halal awareness and the quality of food ingredients also play significant roles. Additionally, advertising emerged as a considerable factor positively affecting purchase intention (Fadlullah et al., 2021).

During World War II, as psychological telemetry gained prominence, marketers began recognizing psychological patterns in both general human behavior and

customer behavior. This shift in focus emphasized the need for marketers to understand individual consumer perspectives thoroughly. This understanding remains paramount in navigating fluctuations in product sales or changes in user behavior, underscoring the prominence of changing approaches to meet evolving consumer needs. A vital tool in this endeavor is the Engel-Kollat-Blackwell (EKB) model, which delineates consumer behavior into five stages: need recognition, information search, alternative evaluation, purchase decision, and outcome prediction (Celik, 2016). This model guides marketers through a structured process, from capturing consumers' attention with advertisements to influencing their purchasing decisions. In particular, advertisements tailored to resonate with Muslim social identities, values, and beliefs can significantly impact consumer purchasing decisions, especially Gen Z. By highlighting compatibility with Muslim values and benefits, promotions can shape attitudes toward products or services. Furthermore, leveraging social norms and trusted individuals or influencers can enhance perceived behavioral control and subjective norms, thereby increasing buying intention. Understanding the intricate interplay between Muslim identity and broader cultural contexts is crucial. Cross-Cultural Advertising Theory underscores the importance of incorporating cultural values, norms, and symbols into advertisements. By integrating Muslim values and local cultural elements, advertisements can effectively engage Muslim Gen Z consumers and influence their purchasing behaviors.

## Hypotheses Selected

H1—There is a significant difference between the types of media advertisements watched daily.

H2—There is a substantial variation in what attracts individuals more in advertisements.

H3—Advertisements have a significant effect on motivation to purchase a product.

H4—There is a significant change in satisfaction levels with advertised products and their usage.

## Research Methodology

The main objective of the research is to know the influence of advertising on the buying behavior of Muslim consumers who are in the category of Gen Z. The researchers have initiated the study with a sample of three hundred and fifty Indian Muslim Gen Z consumers of both genders were selected as respondents but received

only three hundred and five questionnaires in a proper format by filling all the questions. A convenient, stratified random sampling technique has been used. Questionnaires were circulated to 350 consumers so they could fill out the survey questionnaire. The study used a well-developed, structured, and verified scale for data collection. Three hundred and fifty (350) questionnaires were collected from the respondents, and only three hundred and five (305) were considered applicable to analyze the data. The information was gathered over a month from the South Indian states of Andhra and Telangana. The collected data were recorded and coded using Microsoft Excel and SPSS. These responses have been analyzed using ANOVA in Statistical Package for Social Scientists (SPSS) version 23.

## Results and Discussion

The analysis for this study is based on 305 respondents. Among them, 63% were male respondents, and 37% were female respondents. Regarding gender, among the 305 respondents who participated in the survey, 102 (33.4%) were between 11 and 17 years old, and 203 respondents (66.6%) were between 18 and 26 (Table 1).

The researcher assumed there would be 350 responses; nonetheless, the research will conclude with 305 answers. Here, the researchers administered the SPSS 23 version to analyze the data, which was formed by a questionnaire to know the Indian Muslim Gen Z consumer’s interest in the advertisement. Here, researchers used fixed factors such as age between 11–17 and 18–26 (Table 2).

The sum of squares (SS) between groups with one degree of freedom is 5.285. With 303 degrees of freedom, the within-group SS is 239.155. The within-groups mean square is 0.789, and the between-groups mean square is 5.285. The F-statistic is 6.695, and 0.010 is the significance level (Sig. Because there is more variation between the groups than within them, the F-statistic value of 6.695 is more significant than 1. The difference in daily media ad types seen is statistically significant at the significance level of 0.010 (p 0.05). With one degree of freedom (df), the between-group sum of squares is 17.634. The within-group sum of squares is 687.166 and has 303 degrees

**Table 1** Demographic profile of the respondents (N = 305)

		Frequency	Percent	Valid percent	Cumulative percent
Valid	11–17	102	33.4	33.4	33.4
	18–26	203	66.6	66.6	100.0
	Total	305	100.0	100.0	
Valid	Female	113	37.0	37.0	37.0
	Male	192	63.0	63.0	100.0
	Total	305	100.0	100.0	

Source Survey results

**Table 2** Analysis of variance results

		Sum of squares	df	Mean square	<i>F</i>	Sig
Which type of media advertisement do you watch every day/every time?	Between groups	5.285	1	5.285	6.695	0.010
	Within groups	239.155	303	0.789		
	Total	244.439	304			
In advertisements, what attracts you more?	Between groups	17.634	1	17.634	7.776	0.006
	Within groups	687.166	303	2.268		
	Total	704.800	304			
Does advertisement motivate you or to purchase/to buy a product	Between groups	0.441	1	0.441	0.263	0.608
	Within groups	507.677	303	1.676		
	Total	508.118	304			
At what % were you satisfied with advertised products and their usage?	Between groups	0.968	1	0.968	0.617	0.433
	Within groups	474.816	303	1.567		
	Total	475.784	304			

Source Research analysis

of freedom. The mean square within groups is 2.268, and the mean square between groups is 17.634. The significance level (Sig.) is 0.06, and the *F*-statistic is 7.77. The *F*-statistic score of 7.776 is more than 1, suggesting more variation between the groups than within them. The difference in characteristics enticing people more in commercials is statistically significant, according to the significance threshold of 0.006 ( $p < 0.05$ ).

The between-groups sum of squares has one degree of freedom (df) and is 0.441. The within-group SS has 303 degrees of freedom and is 507.677. The between-groups mean square is 0.441, while the within-groups mean square is 1.676. The significance level (Sig.) is 0.608, and the *F*-statistic is 0.263. Indicating slight variance in variability within and across groups, the *F*-statistic value of 0.263 is near one (1). The difference in the advertisement's impact on the incentive to purchase is not statistically significant, according to the significance threshold of 0.608 ( $p > 0.05$ ). There is one degree of freedom (df) in the SS between groups, which is 0.968. The within-group SS has 303 degrees of freedom and is 474.816. Between groups, the mean square is 0.968, while within groups, it has a mean square of 1.567. The *F*-measurement is 0.617, and the importance level (Sig.) is 0.433. The closeness of the *F*-statistic value of 0.617 to 1 indicates a trivial variation between the groups and

within the groups. The difference in satisfaction with advertised products and usage is not statistically significant, as evidenced by the significance level of 0.433 ( $p > 0.05$ ).

## **Managerial Implications**

Consumers are highly motivated to buy a product when they see an advertisement for it somewhere; they also feel safe buying a product that they have seen in the consumer advertisement, which develops a level of trustworthiness for a brand they have seen the advertisement. They were even noted to collect information on products from advertisements, learn about the usage and benefits of a product, and then make a purchase decision based on that. Therefore, advertising is an excellent marketing tool for generating more sales. Gen Z Muslims are active users of digital and social media platforms. Advertisers should use these mediums to reach and interact with this audience effectively. The efficacy of marketing programs can be increased by working with influencers, producing appealing content, and utilizing interactive forms. For advertisements to have the most significant impact, it is crucial to understand the exact channels and communication methods that Muslim Gen Z customers favor.

Academicians can use this study to raise awareness of the most critical buying patterns of Indian Muslim Gen Z consumers. This study provides factual information about how Indian Muslim consumers aged 11–18 and 17–26 think about their buying habits and the factors influencing them. The study offers important information for Indian businesses looking to enter the market. This study's findings suggest that companies may have a significant opportunity to evaluate their current marketing strategies and policies to win the trust and business of Indian consumers for their goods and services. These segments ought to be able to recognize the intense attention paid by Indian Muslim customers. They should closely monitor how well the current marketing mix can meet the market's expectations. It also presents an opportunity to adjust to customers' aspirations, desires, and shifting options. The findings of this study indicate that factors such as brand name, product design, features, and quality can significantly impact purchasing decisions. There may be an opportunity to design the company's offerings and communication strategies to attract and keep many customers based on these high-ranking purchasing patterns. To influence this one-of-a-kind market by developing products and services and targeting and positioning these markets for consumers necessitates a significant amount of focus on the part of the business community. As a result, the findings of this study suggest that it is of the utmost importance for marketing managers to learn about the purchasing motivations, sources of influence, advertisement interest, and opinions of family and friends of the approximately 76 million young Indian Muslim consumers. Due to the rapid and radical shifts in this demographic segment of the market, the survey's findings should be tested and reexamined with additional research studies. Based on the market's current size and shifting buying patterns, Indian Muslim Generation Z is the most economically and commercially advantageous group.

## Conclusion, Limitations, and Scope for Further Research

Advertisements have significantly impacted current and potential Indian Muslim Gen Z customers. Organizations are enhancing their concentration on developing and implementing new social initiatives faster due to their increased focus on expanding and diversifying their advertising presence. The influence of advertising on the buying habits of Muslim Gen Z consumers is crucial for marketers seeking to engage this demographic effectively. By adopting culturally sensitive approaches, prioritizing authenticity and transparency, emphasizing purpose-driven marketing, leveraging digital platforms, personalizing advertisements, utilizing storytelling, and collaborating with Muslim influencers, marketers can navigate Muslim Gen Z consumers' unique preferences and values and build strong, long-term relationships. One necessary target market for brands in this context is the people of Generation Z because they are digital natives, which indicates that they grew up with a level of technology acquisition and knowledge that is relatively new to the market. This study was conducted to analyze the influence of advertisements on the buying habits of Generation Z of Indian Muslim consumers. Internet media platforms offer marketers a chance to win by betting on Gen Z because of their nature.

The study's primary limitation is that only Indian Muslim Gen Z consumers were included in selecting respondents, despite the overall influence of consumers' purchasing habits. Even though Hindi is the country's primary language, the researchers only used an English questionnaire to complete the study. The products and services that the researchers consider and follow are not categorized. Despite the growing relevance of Muslim Gen Z customers as a group, little in-depth study and information about their purchasing patterns and the impact of advertising are now available. The availability of thorough knowledge is constrained, which makes it difficult for marketers to create targeted tactics. To understand this consumer group better, more study is required. Additional research opportunities will exist based on purchasing habits. With perfect stratification of region, types, and class of consumers and significant sample size, future research should investigate Indian buying behavior for halal products. In addition to those mentioned above, different populations, such as those living in rural areas and those belonging to upper and lower social classes, should be the subject of future research. Analyzing the impact of the country of origin on a specific product or service category is another possibility that could be investigated. The researchers have complete discretion over the products or services they select.

## References

- Aaker, D. A. (2021). *Building strong brands*. Simon and Schuster.
- Abuznaid, S. A. (2020). Muslim marketing and Muslim consumers' behavior. *Asian Journal of Social Science Studies*, 5(1), 10.



- Ahmed, S., & Ashfaq, A. (2013). Impact of advertising on consumers' buying behavior through persuasiveness, brand image, and celebrity endorsement. *Global Media Journal*, 6(2), 149.
- Alcantara, M. L. E., Bisnan, J. S., Guevarra, T. N. T., Iban, M. A., Javier, J. D. P., Romel, R. L., Jr., & Vales, H. D. (2024). Examining the impact of guerilla advertising content on consumer purchase intention of Gen Z. *Ignatian International Journal for Multidisciplinary Research*, 2(1), 649–668.
- Alsharif, A. H., Salleh, N. Z. M., Alrawad, M., & Lutfi, A. (2024). Exploring global trends and future directions in advertising research: A focus on consumer behavior. *Current Psychology*, 43(7), 6193–6216.
- Avrillia, M. D., & Hapsari, R. D. V. (2023). The influence of Muslim fashion influencers on purchase intention mediated by attitude towards the advertising and brand attitude in the Muslim fashion industry in Indonesia. *International Journal of Research in Business and Social Science* (2147–4478), 12(9), 126–133.
- Azzam, Z. A., Hamdan, A., Ali, N., & Aggad, K. (2023). Impact of digital advertising via social media tools on the buying behavior of fast food consumers. A case of Jordan. In *Artificial intelligence (AI) and finance* (pp. 461–472). Springer Nature Switzerland.
- Britt, S. H. (1950). The strategy of consumer motivation. *Journal of Marketing*, 14(5), 666–674.
- Celik, H. (2016). The functionality of online shopping site within the customer service life cycle: a literature review. *Encyclopedia of E-Commerce Development, Implementation, and Management*, 791–803.
- Chan, K., Li, L., Diehl, S., & Terlutter, R. (2007). Consumers' response to offensive advertising: A cross-cultural study. *International Marketing Review*, 24(5), 606–628.
- Choirunnisa, R., & Firmansyah, E. A. (2021). Muslim consumer behavior and purchase. *EKONOMIKA SYARIAH: Journal of Economic Studies*, 5(1), 11–30.
- Dinu, G., & Dinu, L. (2012). The impact of advertising on consumer behavior in the Resita city population. In *Annals of DAAAM for 2012 and Proceedings of the 23rd International DAAAM Symposium Intelligent Manufacturing and Automation: Focus on Sustainability* (Vol. 23, No. 1, pp. 1047–1050).
- Fadlullah, A. K., Soetjipto, B. E., & Rahayu, W. P. (2021). The effect of halal label, halal awareness, food ingredients, advertising and purchase interest on the decision to buy "Samyang Noodles" (study on universities students in Malang City). *South East Asia Journal of Contemporary Business, Economics, and Law*, 24(2), 107–113.
- Falebita, O. A., Ogunlusi, C. F., & Adetunji, A. T. (2020). A review of advertising management and its impact on consumer behavior. *International Journal of Agriculture Innovation, Technology and Globalisation*, 1(4), 354–374.
- Fatima, S., & Lodhi, S. (2015). Impact of advertisement on buying behaviors of the consumers: Study of cosmetic industry in Karachi city. *International Journal of Management Sciences and Business Research*, 4(10), 1–13.
- Febriandika, N. R., Wijaya, V., & Hakim, L. (2023). Gen-Z Muslims' purchase intention of halal food: Evidence from Indonesia. *Innovative Marketing*, 19(1), 13–25.
- Firdaus, F. S., Ikhsan, R. B., & Fernando, Y. (2023). Predicting purchase behavior of Indonesian and French Muslim consumers: Insights from a multi-group analysis. *Journal of Islamic Marketing*, 14(5), 1229–1259.
- Haider, T., & Shakib, S. (2018). A study on the influences of advertisement on consumer buying behavior. *Business Studies Journal*, 9(1).
- Hoang, C. C., & Khoa, B. T. (2022). Impulse buying behavior of generation Z customers in social commerce: Flow theory approach. *Journal of Logistics, Informatics and Service Science*, 9(4), 197–208.
- Hussain, S. K., Riaz, K., Kazi, A. K., & Herani, G. M. (2008). Advertising styles' impact on attention in Pakistan.
- Kamalul Ariffin, S., Ihsannuddin, N. Q., & Abdul Mohsin, A. M. (2022). The influence of attitude functions on Muslim consumer attitude towards social media advertising: A case of bubble tea. *Journal of Islamic Marketing*, 13(11), 2308–2330.

- Kotler, P., & Keller, K. L. (2022). *Marketing management* (16th ed.). Pearson.
- Kotler, P., & Keller, K. L. (2007). *Marketing management* (12th ed.). Prentice-Hall of India Private Limited.
- Malik, M. E., Ghafoor, M. M., & Iqbal, H. K. (2014). The impact of advertisement and consumer perception on consumer buying behavior. *International Review of Social Sciences and Humanities*, 6(2), 55–64.
- Morgan, M. S. (1991). Traveler's choice: The effects of advertising and prior stay. *The Cornell Hotel and Restaurant Administration Quarterly*, 32(4), 41–49.
- Nickerson, C., Georgiadou, E., & Nandialath, A. M. (2023). Religious affiliation and religiosity: Do Islamic appeals in advertising lead to higher purchase intentions among Muslim consumers in Dubai? *Journal of Islamic Marketing*, 14(4), 1128–1145.
- Ninan, N., Roy, J. C., & Cheriyan, N. K. (2020). Influence of social media marketing on the purchase intention of Gen Z. *International Journal of Advanced Science and Technology*, 29(1), 1692–1702.
- Noor, U., Mansoor, M., & Rabbani, S. (2022). Brand hate and retaliation in Muslim consumers: Does offensive advertising matter? *Journal of Islamic Marketing*, 13(6), 1395–1413.
- Petty, R. E. (1986). The elaborative likelihood model of persuasion. *Avances in Experimental Social Psychology*, 19, 123–205.
- Potluri, R. M., Pool, G. R., III., & Madibaeva Tatinbekovna, S. (2010). Young Kazakhstan consumers: Catch them if you can. *Young Consumers*, 11(1), 47–56.
- Potluri, R. M., Challagundla, M. S. K. C. S., & Ansari, R. (2013). Young Indian Muslim consumers: An escalating trend of potential. *European Journal of Business and Management*, 5(19).
- Priporas, C. V., Stylos, N., & Fotiadis, A. K. (2017). Generation Z consumers' expectations of interactions in smart retailing: A future agenda. *Computers in Human Behavior*, 77, 374–381.
- Rasool, M. S., Rafique, Y., Naseem, M. A., Javaid, S., Najeeb, M., & Hannan, M. (2012). Impact of advertisement on consumer behavior of FMCG in Lahore city. *Academic Research International*, 2(3), 571.
- Rehman, F. U., & Zeb, A. (2023). Translating the impacts of social advertising on Muslim consumers buying behavior: The moderating role of brand image. *Journal of Islamic Marketing*, 14(9), 2207–2234.
- Stoica, M., & Hickman, T. M. (2024). Gen Z buying patterns: comparing the influence of professional advising and social media engagement. *Young Consumers*, ahead-of-print (ahead-of-print). <https://doi.org/10.1108/YC-09-2023-1871>
- Tariq, M. I., Nawaz, M. R., Nawaz, M. M., & Butt, H. A. (2013). Customer perceptions about branding and purchase intention: A study of FMCG in an emerging market. *Journal of Basic and Applied Scientific Research*, 3(2), 340–347.
- Waqas, M., Mian, S. J., & Nazir, N. (2023). The role of religious advertising and personal selling in enhancing mutual fund purchase intention and sales in Pakistan: A managerial perspective. *Journal of Islamic Marketing*, 14(1), 43–60.
- Zhao, J., Butt, R. S., Murad, M., Mirza, F., & Saleh Al-Faryan, M. A. (2022). Untying the influence of advertisements on consumers buying behavior and brand loyalty through brand awareness: The moderating role of perceived quality. *Frontiers in Psychology*, 12, 803348.

**Prof. Rajasekhara Mouly Potluri** is a Professor of Management/Marketing with thirty-three years of industry/teaching experience in around ten countries. Dr. Raj holds a Ph.D. and M. Phil. in Management/Marketing from Shivaji University, an MBA (Marketing), and a Master of Commerce (Banking) from Andhra University, India. He has published and presented around a hundred and twenty research articles, books, book chapters, and case studies in renowned peer-reviewed journals indexed in Scopus, ABDC, SSCI, IJEE, KCI, and International Conferences and won more than twenty Best Research Paper Awards and Academic Service Excellence Awards. He has extensive teaching and research experience in multi-cultural and multi-ethnic environments in India, Ethiopia, Kazakhstan, South Korea, Nigeria, and the United

Arab Emirates. His research interests are Marketing, Islamic Marketing, CSR, HRM & OB, and Entrepreneurship.

**Afreen Mohammad** a recent MBA graduate, thrives in the intersection of market research and consumer behavior. Her passion for understanding what drives purchase decisions is evident in her research presentations, analyzing the spending habits of Indian Muslim consumers. She holds a Bachelor's degree in Mathematics, Statistics, and Computer Science, and her technical prowess shines through her Java Full Stack Development skills and the web-based Crime Record Management System she built. Eager to contribute, she seeks a professional setting where she can leverage her research, analytical, and development abilities. Beyond academics, she actively presents papers and collects data, showcasing her well-rounded personality. Driven and results-oriented, she is a valuable asset for any organization seeking a marketing whiz with a technical edge.

**Kareemunnisa Mohammad** a dedicated business management scholar with a Bachelor's degree, possesses a profound research focus on Islamic marketing and services marketing. Driven by a passion for ethical considerations, they aspire to apply acquired insights to revolutionize the dynamic field of business. Positioned for impactful contributions to business ethics, Mohammad Kareemunnisa is committed to fostering ethical practices and adding meaningful value to the business landscape. With an insatiable curiosity and a penchant for exploration, they continuously seek to learn and embrace new challenges, showcasing a relentless commitment to personal and professional growth.

# Husband's Rights on the Working Wife's Income (An Economic Study in Islam)



Jihad Hasan Salama and Muhammad Karrat

**Abstract** This article investigates the economic dynamics within the marital relationship in Islam, particularly focusing on the husband's entitlement to his working wife's income. The purpose is to discern the Islamic perspective on this matter while also elucidating the esteemed status accorded to women in Islam, emphasizing their financial autonomy and protection from financial exploitation. The theoretical framework emphasizes that a wife's upkeep is an integral right, regardless of her engagement in paid labor. Islam neither coerces nor mandates a woman to work, recognizing the complex responsibilities she already shoulders, such as maternity, education, and household management. The research employs a descriptive, inductive, and analytical approach, presenting various juristic opinions without bias toward any specific school of thought. Findings show that, regardless of a wife's employment status, the husband is obliged to financially support her, with no right to her earnings without her clear consent. The study postulates that the marital relationship in Islam is established on affection, compassion, and cooperation, as opposed to notions of equality or subjugation. Therefore, it advocates for a cooperative and compassionate society built on stable social and economic bases through cooperative efforts within Muslim households. The article concludes by emphasizing its academic contribution in clarifying the material foundations of spousal relationships in Islam, aiming to foster an integrated, compassionate, and harmonious society, free from division and discord.

**Keywords** Right · Husband · Wife · And Money

---

J. H. Salama (✉) · M. Karrat

Applied Studies in Sharia, Law and Society, Faculty of Sharia, Sidi Mohamed Ben Abdallah University, Fez, X2WC+WW4, Road Sefrou, 30050 Fez, Morocco

e-mail: [gehadsalameh66@gmail.com](mailto:gehadsalameh66@gmail.com)

## Introduction

Praise be to God, Lord of the worlds, and prayers and peace be upon the most honorable messengers, our master Muhammad bin Abdullah and his family and companions altogether. God Almighty has organized the relationship between a man and a woman through the marriage contract. He placed affection and mercy between you. Indeed, there are signs in that for people who reflect. This contract has many effects, the most important of which is that it gives the wife rights over her husband, and gives the husband rights over his wife, and gives them joint rights. The first is in the society, if it reforms the society, and if it is corrupted, the society is corrupted. The principle is that the wife's right to alimony is an established right over her And the existence of an independent financial liability for the woman through her work or her access to money through inheritance, will, or gift..., led to disputes between her and her husband, after he demanded her participation in the maintenance of the family, because he waived one of his rights, which is her retention for his sake and her going out to work This paper deals with the issue of the husband's right to the money of his working wife, **and hence, the importance of this topic** lies in clarifying the legal rulings related to working women, in terms of requiring the permission of her guardian or Her husband because she went out to work, and the impact of her work on the obligation of her maintenance, the independence of her financial responsibility, and adherence to what was approved by the Islamic Sharia in the Book of God and the Sunnah of His Messenger \_ peace be upon him \_husband as soon as the contract is concluded. The Most High said: "And stay in your homes," And that both spouses have mutual rights and duties toward the other, but in the matter of alimony that is obligatory for the husband, does the husband have a financial right over his wife if she is a worker? In exchange for the husband allowing his wife to go out to work. In my research, I followed the descriptive, inductive and analytical approach, by presenting the opinions and doctrines of the jurists. Preferring what turns out to me to be the right thing and closest to achieving the interest and the purposes of the Sharia. This study dealt with the first requirement: the impact of marriage on the woman's eligibility to earn, the second requirement: the requirement of the guardian's or husband's permission for the woman to go out to work, and the third requirement: the effect of the wife's earning on the obligation of her maintenance on his wife Through my review of the research material, I did not find a comprehensive book on the issues that I researched on this topic, because the topic of the research is scattered between old and modern books, but I collected them for easy reference and documented those references in the list of research references, so I liked this study to limit the issues and issues Which is related to the husband's financial rights over his working wife, and weighting in contentious issues by collecting the details of this topic, and clarifying the provisions of some jurisprudential developments in it.

## Literature Review

The purpose of this topic is not to delve into the legality of women's work and its related provisions and controls, but the effect of marriage on the woman's going out to earn and the requirement of the permission of the guardian or husband in the practice women to work and this is explained in three requirements.

**First Requirement:** Effect of marriage on a woman's eligibility to earn.

**First:** The concept of right, linguistically, and idiomatically.

**Second:** The effect of marriage on a woman's eligibility to earn.

**Second Requirement:** the requirement of the permission of the guardian or the husband for the woman to go out to work.

**Third Requirement:** the effect of the wife's earnings on the necessity of her husband's expense.

### First: The Concept of Right, Linguistically and Idiomatically

Before starting into the extent of the husband's right to his wife's money, which will be the focus of our research, it is necessary to get acquainted with the concept of the right, linguistically and idiomatically, and to know the concept of the financial right, and what are the common rights between spouses.

#### First: Right to Language

The word "right" has several meanings in the language, including the following:

- The right is one of the names of God Almighty, or one of His attributes. The Allah's Messenger (peace be upon him) said, "Allah has ninety-nine names, i.e., one hundred minus one, and whoever knows them will go to Paradise".<sup>1</sup>
- The right is called death, the Allah said: "And the intoxication of death will bring the truth"<sup>2</sup> the meant by truth in this Ayat is death.<sup>3</sup>

---

<sup>1</sup> Narrated by Al-Bukhari: Muhammad bin Ismail Abu Abdullah Al-Ja'fi, Jami' al-Sahih al-Mukhtasar, Al-Wasaya Book, Chapter: What is Permissible Conditions and Pacts in Approval and Conditions that People Know Among themselves, and if he says a hundred except for one or two, Hadith No. 2736, 3/198, and in the Book of Tawheed, chapter: Allah has one hundred names except one, Hadith No. 7392, 9/118, Dar Ibn Katheer, Al-Yamamah -Beirut, 1407-1987, 3rd edition, T: Dr. Mustafa Deeb Al-Bagha, Muslim, Ibn Al-Hajjaj Abu Al-Hasan Al-Qushayri Al-Nisaburi, in the book of Aldhikar wa Al-Dua wa Al-Tawbah wa Al-istighfar, chapter on the names of Allah Almighty and the merits of those who enumerate them, Hadith No. 2677, 4/2062, and it came with the wording "Allah has ninety-nine names. He who memorizes them will enter Paradise, and that Allah is Witr and loves the Witr," Arab Heritage Revival House -Beirut, T.: Muhammad Fouad Abd Albaqi.

<sup>2</sup> Surah Qaf, Ayat 19.

<sup>3</sup> Al-Tamimi: Fakhr Al-Din Muhammad bin Omar Al-Razi Al-Shafi'i, Al-Tafsir Al-Kabir aw Mafatih Al-Ghayb, 141/28, Dar Al-Kutub Al-Ilmiyya-Beirut, 1421/2000, 1st Edition.

- The right may be called justice and truthfulness, Allah said: “and it will be judged between them in truth”,<sup>4</sup> the meant by truth in the Ayat that is, i.e., judged between them with justice and truthfulness.<sup>5</sup>
- The right is the opposite of falsehood, and it is also used to refer to the established being, and it may benefit the possession.<sup>6</sup>
- The right comes in the sense that it is obligatory and established,<sup>7</sup> as Allah said: “Those upon whom the word will have come into effect will say”<sup>8</sup> and Allah said: “but the word of punishment has come into effect upon the disbelievers”.<sup>9</sup> That’s mean obligate.

From the above it becomes clear to us that there are many meanings of the right whose meaning varies according to the context in which it is mentioned, and they all revolve around necessity and certainty.

### **Second: Defining the Right Idiomatically**

The definition of right did not receive much attention from the ancient jurists, and they were satisfied with using it in a way that suits its linguistic meaning, unlike contemporary scholars who paid great attention to it.

\* Definition of the ancient scholars of right:

- Al-Shafi’i said about the right: “People have a right to wash the dead.”<sup>10</sup> Here comes the meaning of “duty,” and it does not depart from its linguistic meaning.

---

<sup>4</sup> Surah Az-Zumar, Ayat 69.

<sup>5</sup> Al-Shawkani: Muhammad bin Ali bin Muhammad, Fath Al-Qadir bayn Fannay Al-Riwayah wa Al-Dirayah min Elm Al-Tafsir, 4/476, Dar Al-Fikr-Beirut.

<sup>6</sup> Look in these meanings to \* Al-Zubaidi: Muhammad Mortada Al-Husseini, Taj Al-Arus min Jawahir Al-Qamus, 25/166–167, Dar Al-Hedayah.

\* Ibn Manzur: Muhammad bin Makram the African Egyptian, Lisan Al Arab, 10/49, Dar Sader-Beirut, 1st Edition.

\* Al-Fayoumi: Ahmed bin Muhammad bin Ali Al-Maqri, Al-Misbah Al-Munir fi Gharib Al-Sharh Al-Kabir for Al-Rafei, 1/143, Scientific Library - Beirut.

\* Al-Razi: Muhammad bin Abi Bakr bin Abdul Qader, Mukhtar Al-Sahah, 1/62, Library of Lebanon - Beirut, 1415 AH- 1995 AD, T: Mahmoud Khater.

<sup>7</sup> Al-Zamakhshari: Abu Al-Qasim Mahmoud bin Omar Al-Khwarizmi, Al-Kashaf an Haqaiq Al-Tanzil wa Uyun Al-Aqawil fi Wjuh Al-Tawil, 3/430, Arab Heritage Revival House- Beirut, T.: Abdul Razzaq Al-Mahdi.

<sup>8</sup> Surah Al-Qasas, Ayat 63.

<sup>9</sup> Surah Az-Zumar, Ayat 71.

<sup>10</sup> Al-Shafi’i: Muhammad bin Idris Abu Abdullah, Al-Umm, 1/274, Dar Al-Maarifa-Beirut, 1393, 1st Edition.

- Al-Qarafi<sup>11</sup> said about the right: “God’s right commands and prohibits,”<sup>12</sup> and he meant by God’s right his judgment.
- Some of them intended truthfulness in right, as Al-Maroudi said: “If the defendant’s agents ask that his purchase was right.”<sup>13</sup>
- Sahib Kashf al-Asrar defined it as “the thing that exists in every aspect, and there is no doubt in its existence.”<sup>14</sup>

It is taken from this definition that it is general and it was necessary to specify it, for the thing is: “a general name for all components, whether in terms of presentation or essence, and it is the constant whose existence is confirmed.”<sup>15</sup> Likewise, his saying that there is no doubt in His existence, i.e., that it proves that there is no doubt about Him in the meaning of the existing and the established, and it is one of the linguistic meanings of the right.

- As for Al-Nafrawi, he defined the right as: “a ruling that conforms to reality and is called sayings, beliefs, religions and sects, and is compatible with falsehood.”<sup>16</sup> This general definition does not depart from the definition of the right in the language, which means conformity and that it is the opposite of falsehood. Language in that it is the antithesis of falsehood, or that it means the immutable object.

---

<sup>11</sup> Ahmed bin Idris bin Abdul Rahman bin Abdullah Al-Sahnaji, originally, Al-Bahnasy, is famous for Al-Qarafi (Shehab Al-Din, Abu Al-Abbas), jurist, fundamentalist, interpreter, and participant in other sciences. He was born in Egypt, and died on the last day of Jumada al-Akhirah in Deir al-Tin near ancient Egypt, and was buried with scavenging. Among his books: Al-Dhakhira fi Fiqh, Sharh Al-Tahdheeb, Sharh Fakhr Sharh Al-Mahsul Al-Din Al-Razi, Al-Tahqee’ fi Usul Al-Fiqh, and Anwar Al-Buruq fi Anwa Al-Furue fi ‘Usul Al-Fiqh. See his translation: as, Omar Bin Reda Bin Muhammad Ragheb Abdul Ghani Al-Damascus, Lexicon of Authors, 1/158, Al-Muthanna Library, Beirut - Arab Heritage Revival, \*Al-Qarafi: Abu Al-Abbas Shihab Al-Din Ahmed bin Idris bin et al.-Rahman Al-Maliki, Al-Farooq - Anwar Al-Burq fi Anwa’ Al-Faraq, 140/1.

<sup>12</sup> Dar al-Kutub al-Ilmiyya - Beirut - 1418 AH - 1998 AD, i: 1, T: Khalil Al-Mansour.

<sup>13</sup> Al-Maroudi: Abu Al-Hasan Ali bin Muhammad bin Muhammad bin Habib Al-Basri Al-Baghdadi, Al-Ahkam Al-Sultaniyah, 1/145, Dar Al-Hadith -Cairo.

<sup>14</sup> Al-Hanafi: Abdul Aziz bin Ahmed bin Muhammad Alaa Al-Din Al-Bukhari, Kashf Al-Asrar Sharh Usul Al-Bazdawi, 4/134, Dar Al-Kutub Al-Islami-Transmitted by Ibn Najim: Zain Al-Din bin Ibrahim bin Muhammad Al-Masry, Al-Bahr Al-Raiq Sharh Kanz Al-Daqaiq, 6/148, Dar Al-Kutub Al-Islami, 2nd Edition.

<sup>15</sup> Al-Jurjani: Ali bin Muhammad bin Ali Al-Zein Al-Sharif, Definitions, 1/130, Dar Al-Kutub Al-Ilmia- Beirut, 1402 AH \_1983 AD. Mujam Lughat Al-Fuqaha, 1/267, 2nd Edition, 1408 A.H. \_ 1988 A.D.

<sup>16</sup> Al-Nafrawi: Ahmed bin Ghanem “Abu Ghoneim” bin Salem Ibn Al-Muhanna, Shihab Al-Din Al-Azhari Al-Maliki, Al-Fawakhi Al-Dawani on the letter of Ibn Abi Zaid Al-Qayrauni, 1/188, Dar Al-Fikr, 1415–1995.



## Methodology

In this research, I followed the descriptive inductive<sup>17</sup> and analytical<sup>18</sup> method, by presenting the opinions and doctrines of the jurists, and the research questions, away from being biased toward the opinion of one of the schools, and giving preference to what appears to me to be correct and closest to achieving the interests and purposes of Sharia **Requirement**. Study sample is the husband and wife and their role in building the society's economy. This is discussed through the philosophy of rights.

### Contemporary Scholars' Definition of the Right

Al-Sanhouri defined the right as “an interest of financial value that is protected by law.”<sup>19</sup> It is taken from this definition that the right is described by the interest, and the interest is not the right in itself, but rather an effect that results from it, and we see that the right is limited to financial transactions only, and this definition is not comprehensive.

- As for Sheik Al-Zarqa, he defined the right as “a specialization by which the Sharia determines an authority or an assignment.”<sup>20</sup> This definition is more accurate, and comprehensive for the right and its meaning.
- Al-Darini defined the right as “a competence by which Sharia recognizes an authority over something, or a requirement for the performance of someone else to achieve a specific interest.”<sup>21</sup>

This is a comprehensive definition, but he made it lengthy, by saying “to achieve a specific interest.” as the interest is the goal of the right and the inevitable impact of it. This definition is close to the definition of Al-Zarqa, but the topic of the research is financial rights and it is consistent with the definition of Al-Sanhouri, because he limited the right to financial transactions.

### First Requirement: The Effect of Marriage on a Woman's Eligibility to Earn

The jurists agreed that the wife's alimnt is obligatory on her husband, whether the wife is poor or wealthy with her money or her earnings, in return for her withholding marital rights and family requirements, Allah said: “Let a man of wealth spend from

---

<sup>17</sup> Descriptive approach: It is an approved method for study and analysis to achieve the desired objectives of the research.

<sup>18</sup> Analytical method: It is the method that is based on analyzing the sentence by explaining its parts and the function of each one.

<sup>19</sup> Al-Sanhouri: Abdul Razzaq Ahmed, Sources of Truth in Islamic Jurisprudence, 1/9, Dar Al-Nahda Al-Arabiya.

<sup>20</sup> Al-Zarqa: Mustafa, Islamic jurisprudence in his new dress \_ Introduction to the general commitment theory in Islamic jurisprudence, 10, Tarbin Press \_ Damascus, 1384 AH -1965, 1st Edition.

<sup>21</sup> Al-Derini: Fathi, Al-Haq wa Mada Sultan Al-Dawlat fi Taqyida, 193, Al-Resala Foundation.

his wealth.”<sup>22</sup> The implication is that the alimant is obligatory for the husband according to his capacity and ability.<sup>23</sup>

And the Allah said: “Lodge them of where you dwell out of your means”.<sup>24</sup> Meaning: live with your women wherever you live, and spend on them from whomever you find.<sup>25</sup> The husband's duty is to provide what the wife needs from the alimant of housing, food, drink and clothing, and to take care of her affairs to protect her from work and questioning.<sup>26</sup>

## Results and Discussion

Spending is a fixed right of the wife over her husband, and he does not have to force her to work to earn, and the Islamic Sharia did not mandate her to work so that she would not fall into hardship, by adding new work to her in addition to her natural work such as motherhood, education and managing the affairs of the house. However, a woman may be forced to work to help her guardian or husband with alimony or to overcome circumstances that she may face due to her husband's incapacity or death but with legal conditions and controls. A woman's work is permissible, but with conditions and restrictions. Women worked during and after the beginning of Islam and practiced many jobs, including paid nursery work, breastfeeding, weaving clothes, and others. Evidence for that is:

---

<sup>22</sup> Surah Al-Talaaq, Aya 7.

<sup>23</sup> Ibn al-Hamam: Kamal al-Din Muhammad ibn Abd al-Wahed al-Siwasi, Fath al-Qadir, 4/378–381, Dar al-Fikr.

<sup>24</sup> Surah Al-Talaaq, Aya 6.

<sup>25</sup> Al-Sarakhsi: Muhammad bin Ahmed bin Abi Sahl, Al-Mabsout, 5/174\_175, 1414 AH-1993 AD, Dar al-Maarifa - Beirut, \* Al-Kasani: Alaa Al-Din, Abu Bakr Bin Masoud Bin Ahmed Al-Hanafi, Badaa' Al-Sana'i fi Tartib Al-Shara'a, 4/15–16, i: 2, 1406 AH - 1986 AD, Dar al-Kutub al-Ilmiyya, \* Al-Babarti: Muhammad bin Muhammad bin Mahmoud, Akmal Al-Din Abu Abdullah Ibn Sheikh Shams Al-Din Ibn Sheikh Jamal Al-Din Al-Rumi, Inaya Sharh Al-Hidaya, 4/378, Dar Al-Fikr, \* Ibn Rushd: Abu Al-Walid Muhammad bin Ahmed bin Muhammad bin Ahmed Al-Qurtubi, Bidayat Al-Mujtahid wa Nihayat Al-Muqtasid, 3/77, 1425 A.H. - 2004 A.D., Dar Al-Hadith - Cairo, \* Al-Shafi'i: Abu Abdullah Muhammad bin Idris bin Al-Abbas bin Othman bin Shafi' bin Abdul Muttalib bin Abdul Manaf Al-Muttalib Al-Qurashi Al-Makki, Al-Umm, 5/93\_94, 1410 AH/1990 AD, House of Knowledge - Beirut, \* Ibn Qudamah: Abu Muhammad Muwaffaq al-Din Abdullah bin Ahmad bin Muhammad al-Jama'ili al-Maqdisi and then al-Dimashqi al-Hanbali, al-Mughni, 8/195\_196, 1388 AH - 1968 AD, Cairo Library.

<sup>26</sup> Al-Adawi: Abu Al-Hassan, Ali bin Ahmed bin Makram Al-Saidi, Hashit Al-Adawi Al Sharh Kifayat Al-Talib Al-Rabbani, 2/135, 1414 AH - 1994 AD, Dar Al-Fikr - Beirut, T: Youssef Sheikh Muhammad Al-Beqai. Ibn Hazm: Abu Muhammad Ali bin Ahmed bin Saeed Al-Andalusi Al-Qurtubi Al-Zahiri, Al-Muhalla Athar, 9/277, Dar Al-Fikr - Beirut.

- **Asma'a the daughter of Abu Bakr,<sup>27</sup> may God be pleased with them, she said: "I used to carry the date stones\* on my head from the land of Az-Zubair which Allah's Messenger-Peace be upon him- had given to him, and it was at a distance of 2/3 of a Farsakh from my house."<sup>28</sup>**

**Evidence:** the effect is clear in the permissibility of a wife working outside her husband's house.

- **Aisha, the mother of the believers, she said: The Messenger of God may God bless him and grant him peace, said: "One who has the longest hands amongst you would meet me most immediately. She farther said: They (the wives of Allah's Apostle) used to measure the hands as to whose hand was the longest and it was the hand of Zainab that was the longest amongst them, as she used to work with her hand and Spend (that income) on charity".<sup>29</sup>**

**Evidence:** The wife of the Prophet may God bless him and grant him peace, was working and the Prophet, may God's prayers and peace be upon him, did not forbid her from that.

### **Second Requirement: The Requirement of the Guardian's Permission for the Woman to Go Out to Work.**

If a woman wants to work, is she independent to make a decision? Or does she have to go back to her guardian or husband? In order to answer this question, it is necessary to discuss the matter in the following issues:

**The First Issue:** the condition of the guardian's permission for the woman to go out to work.

---

<sup>27</sup> Asma bint Abi Bakr Al-Siddiq and the name of Abu Bakr: Abdullah bin Othman, the Taymiyyah Quraish, the husband of Al-Zubayr bin Al-Awwam, and she is the mother of Abdullah bin Al-Zubayr, and she is Dhat Al-Nitaqayn, and her mother is Qaila, and it was said: Qutaila, the daughter of Abdul-Uzza bin Abd Asaad bin Jaber bin Malik. bin Hasal bin Amer bin Luay. It was said to her that she had Dhat Al-Nitaqayn because she had made a trip for the Prophet, may God's prayers and peace be upon him, and for her father, when they migrated, and she did not find anything to tie her to. So she cut her nitaquha and tightened the scroll with it, so the Messenger of God, may God's prayers and peace be upon him, named her the one with the two bands. See its translation: Ibn al-Atheer: Abu al-Hasan Ali ibn Abi al-Karam Muhammad ibn Muhammad ibn Abd al-Karim ibn Abd al-Wahab al-Shaibani al-Jazari. Usd Al-Ghabah fi Marifat Al-Sahabah, translation No. 6705, 7/7, i 1, 1415 AH - 1994 AD, Dar al-Kutub al-Ilmiyya, T: Ali Muhammad Moawad - Adel Ahmed Abd al-Mawgod.

\* Cores: Ajam dates.

<sup>28</sup> Narrated by Al-Bukhari: Muhammad bin Ismail Abu Abdullah Al-Ja'fi, Sahih Al-Bukhari, Book of Fardh Al-Khums, Chapter: What the Prophet, may God bless him and grant him peace, was he gives the composers their hearts and others from the Khums and the like, Hadith 3151, 4/95, Dar Touq Al-Najat, 1st Edition, 1422 AH, T: Muhammad Zuhair bin Nasser Al-Nasser, explanation and commentary Dr. Mostafa Dib Elbagh.

<sup>29</sup> Narrated by Muslim: Ibn al-Hajjaj Abu al-Hasan al-Qushayri al-Naysaburi, Sahih Muslim, Kitab Fada'il Sahaba ay God be pleased with them Chapter: Fada'il Zainab Al-Umm, al-Mu'minin al-Arabi, Hadith No. 19: 24, Beirut Fouad Abdel Baqi.

An unmarried woman must seek the permission of her guardian if she wants to go out to work, and her guardian is the father in his family or someone else who has guardianship over her, because the guardian is the shepherd and responsible for her, so it is necessary to seek his permission and take his opinion, and from the evidence that the guardian's permission must be taken when the woman goes out is the following:

- The Almighty said: "O you who have believed, protect yourselves and your families from a Fire whose fuel is people and stones".<sup>30</sup> The point of indication: that Almighty God obligate the believers to protect themselves and their families from the Fire, and that is by ordering the guardian or the husband to his family to obey God and His Messenger.<sup>31</sup> Qatada said: They commanded them to obey God and forbid them to disobey God, so a woman must obey her guardian and not go against him.
- On the authority of Abdullah bin Omar,<sup>32</sup> who says: "**I heard Messenger of Allah peace be upon him said,**" **All of you are guardians and are responsible for your subjects. The ruler is a guardian and responsible for his subjects; the man is a guardian of his family; the woman is a guardian in her husband's house and responsible for her wards; a servant is a guardian of his master's property and responsible for his ward. So all of you are guardians and are responsible for your subjects**".<sup>33</sup>

The connotation is: that the people of man are his subjects and he is responsible for them, because he is commanded to take care of them and protect them from the fire, so he has duties and rights and among his rights is obedience. He does not order his family except with his opinion, because he is responsible about them before Almighty God.<sup>34</sup>

It came in the book "Al- Umm": "If a woman reaches the age of capable on her own or with her money to perform Hajj, and her guardian wants to prevent her from performing Hajj or her husband wants to prevent her unless she does not perform

<sup>30</sup> Surah Al-Tahrim, Aya 6.

<sup>31</sup> Al-Samarqandi: Nasr bin Muhammad bin Ahmad Abu Al-Laith, Tafsir Al-Samarqandi called Bahr Al-Uloom, 3/447, Dar Al-Fikr - Beirut, T: Dr. Mahmoud Matarji.

<sup>32</sup> He is: Abdullah bin Omar bin Al-Khattab bin Nafail Al-Qurashi Al-Adawi, and his mother is Zainab bint Mazoon Al-Jamhieh, he embraced Islam with his father and emigrated and presented to the Prophet, may God's prayers and peace be upon him, at Badr, so he made him small then at Ohed likewise, and then in the trench, so he permitted it. See his translation: Ibn Hajar: Abu Al-Fadl Ahmed bin Ali bin Muhammad bin Ahmed Al-Asqalani, Al-Isbah fi Tamazyat Al-Sahaba, translation No. 4852, 4/156, 1st Edition 1415 AH, Dar Al-Kutub Al-Ilmia -Beirut, T: Adel Ahmed Abdul-Mawgod And Ali Mohamed Moawad.

<sup>33</sup> Narrated by Al-Bukhari: Muhammad bin Ismail Abu Abdullah Al-Ja'fi, Sahih Al-Bukhari, Kitab Al-Jumu'ah, the chapter Friday in villages and cities, Hadith No. 893, 2/5, Dar Tawq Al-Najat, 1st Edition, 1422 AH, T: Muhammad Zuhair bin Nasser Al-Nasser, commentary and explanation Dr. Mostafa Dib Elbagh.

<sup>34</sup> Ibn Hajar: Ahmad bin Ali Abu al-Fadl al-Asqalani al-Shafi'i, Fath al-Bari Sharh Sahih al-Bukhari, 9/316, Dar al-Maarifa - Beirut, 1379, number of his books, chapters and hadiths: Muhammad Fouad Abd al-Baqi. It was edited, corrected, and printed by: Muhib Al-Din Al-Khatib, with comments by the scholar: Abdul Aziz bin Abdullah bin Baz.

Hajj.” If the husband or guardian is able to prevent her from performing Hajj,<sup>35</sup> which is an obligation, then it is more appropriate that he is able to prevent her from doing something permissible such as work.

But it must be pointed out here that the guardian does not have the right to unjustly prevent a woman from practicing useful work, and he does not have the right to force her to do work without her consent and without necessity.

**The Second Issue:** the requirement of the husband’s permission for the woman to go out to work.

I mentioned previously that the Jurists’ agreed that the wife’s expense is obligatory for her husband, but if a woman wants to go out to work, does she have to ask her husband’s permission? Or is she free to go out without referring to the husband’s permission?

The marriage contract and the woman’s receipt of the dowry entail the husband’s right over his wife not to go out without his permission.

That is because a woman’s going out for work causes harm to the husband and she is imprisoned for him, and her going out is incompatible with confinement, and she is dispensed with work because he is obligatory for her to suffice him.<sup>36</sup>

The husband has the right to prevent his wife from going out for work, because her going out affects her rights and harms him, so her work. It distracts her from the rights of her husband and the affairs of her home.

**The Third Issue:** women’s work inside the home.

The jurists agreed that it is permissible for a woman to work inside her home, provided that the husband is not harmed by her work.<sup>37</sup> It came in al-Mudawwana: “He said, “Have a wife’s man who wanted to trade, could her husband prevent her from that?” Malik said: He does not have the right to prevent her from trading, but he can prevent her from going out.<sup>38</sup>

<sup>35</sup> Al-Shafi’i: Abu Abdullah Muhammad bin Idris bin Al-Abbas bin Othman bin Shafi’ bin Abdul Muttalib bin Abdul Manaf Al-Muttalib Al-Qurashi Al-Makki, Al-Umm, 2/128, 1410 AH/1990 AD, Dar Al-Maarifa - Beirut.

<sup>36</sup> Ibn Najim: Zain Al-Din Bin Ibrahim Bin Muhammad, Al-Bahr Al-Raiq Sharh Kanz Al-Daqaq, 4/212, 2nd Edition, Dar Al-Kitab Al-Islami, \* Ibn al-Hammam: Kamal al-Din Muhammad ibn Abd al-Wahed al-Siwasi, Fath al-Qadir, 4/399, Dar al-Fikr.

<sup>37</sup> Ibn Abdeen: Muhammad Amin Ibn Omar Ibn Abd al-Aziz al-Dimashqi al-Hanafi, Rad Al-Muhtar to Al-Durr al-Mukhtar, 3/603, i: 2, 1412 AH - 1992 AD, Dar al-Fikr- Beirut, \* Ibn Najim: Zain al-Din Ibn Ibrahim Bin Muhammad, Al-Bahr Al-Raiq Sharh Kanz Al-Daqaq, 4/212, i: 2, Dar al-Kitab al-Islami, \* Al-Bujayrami: Suleiman bin Muhammad bin Omar Al-Masri Al-Shafi’i, Tuhfat Al-Habib on Sharh Al-Khatib = Hashiyah Al-Bujairmi on Al-Khatib, 4/96, 1415 AH - 1995 AD, Dar Al-Fikr, \* Malik: bin Anas bin Malik bin Amer Al-Asbahi Al-Madani, Al-Mudawwana, 4/73, i: 1, 1415 AH - 1994 AD, Dar Al-Kutub Al-Ilmia.

<sup>38</sup> Malik: bin Anas bin Malik bin Amer Al-Asbahi Al-Madani, Al-Mudawwana, 4/73, 1st Edition, 1415 AH - 1994 AD, Dar Al-Kutub Al-Ilmia.

Al-Shafi'i said "The husband has no way of taking custody of the woman's money".<sup>39</sup>

From Malikiyah's statement, it is clear to us that it is permissible for a woman to work in her home, and the husband may not prevent her from trading in her home, and he may prevent her from going out to trade, but she is not prevented from trading in her home provided that there is a mahram if the husband is absent.<sup>40</sup> But is the husband's permission required for a woman to work inside the home?

The husband's permission is required for a woman to work in her home if the work needs to be watched and entails fatigue and stress for the woman and reduces her beauty. The jurists have stated that the husband has the right to obey every permissible order and that he has the right to prevent her from spinning even if it is for herself.<sup>41</sup> But the husband must not use his right arbitrarily and harm his wife by preventing her from practicing work without justification, and therefore Shafi'iyah restricted his right to prevent her from working if it contradicts one of his rights, Al-Bajermi said<sup>42</sup>: "He has no right to prevent her from spinning until the time of his enjoyment".<sup>43</sup> This does not mean that the husband has the right to prevent his wife from spinning only, but he has to prevent her from any other work that he does not authorize. Ibn Njeim<sup>44</sup> said: "Spinning should not be allocated, but he may prevent her from all the work required for earning because she is dispensed with because she must be sufficient by him as well as from working as a donation to a foreigner with the first."<sup>45</sup> If the wife must have her husband's permission to go out to work, his violation and her exit without his permission shall be considered disobedience and shall result in the

---

<sup>39</sup> Al-Shafi'i: Abu Abdullah Muhammad bin Idris bin Al-Abbas bin Othman bin Shafi' bin Abdul Muttalib bin Abdul Manaf Al-Muttalib Al-Qurashi Al-Makki, Al-Umm, 3/221, 1410 AH/1990 AD, Dar Al-Maarifa - Beirut.

<sup>40</sup> Malik: bin Anas bin Malik bin Amer Al-Asbahi Al-Madani, Al-Mudawwana, 4/73, 1st Edition 1415 AH - 1994 AD, Dar Al-Kutub Al-Ilmia.

<sup>41</sup> Ibn Abdeen: Muhammad Amin Ibn Omar Ibn Abd al-Aziz al-Dimashqi al-Hanafi, Rad Al-Muhtar to Al-Durr al-Mukhtar, 3/603, 2nd Edition 1412 AH - 1992 AD, Dar al-Fikr - Beirut, \* Ibn Najim: Zain al-Din Ibn Ibrahim Ibn Muhammad, Al-Bahr Al-Raiq Sharh Kanz Al-Daqa'iq, 4/212, 2nd Edition, Dar al-Kitab al-Islami.

<sup>42</sup> He is Suleiman bin Muhammad bin Omar Al-Shafi'i, known as Al-Bajirmi. Faqih was born in Bajiram in the villages of Gharbia in Egypt, and he came to Cairo, studied at al-Azhar, and died in Mastia near Bajiram on the 16th of Ramadan. Among his classifications: Al-Tajrid Linafa Al-Ebid, and Tuhfat al-Habib on Sharh al-Khatib, see his translation: as a case: Omar bin Reda bin Muhammad Ragheb bin Abdul Ghani Damascus, Lexicon of Authors, 4/275, Al-Muthanna Library - Beirut, Dar revival of Arab heritage, Beirut.

<sup>43</sup> Al-Bujayrami: Suleiman bin Muhammad bin Omar Al-Masri Al-Shafi'i, Tuhfat Al-Habib on Sharh Al-Khatib = Hashiyah Al-Bujairmi on Al-Khatib, 4/96, 1415 AH - 1995 AD, Dar Al-Fikr.

<sup>44</sup> He is: Zain al-Din Ibn Ibrahim Ibn Muhammad Ibn Muhammad al-Masri, the Hanafi, known as Ibn Njeim. Faqih, fundamentalist from his classifications: Sharh Manar Al-Anwar fi Usul Al-Fiqh, Al-Bahr Al-Raiq Sharh Kanz Al-Daqa'iq, Al-Sahbah and Al-Nazaer, Dar revival of Arab heritage, Beirut.

<sup>45</sup> Ibn Njeim: Zain Al-Din Bin Ibrahim Bin Muhammad, Al-Bahr Al-Raiq Sharh Kanz Al-Daqa'iq, 4/212, 2nd Edition, Dar Al-Kitab Al-Islami.

provisions of disobedience.<sup>46</sup> Therefore, there is a sort of double rhetoric in relation to the scope of the hermeneutic autonomy of the believer within Islam.<sup>47</sup>

**The Fourth Issue:** The wife's obligation to enter into a contract in which she performed herself for work or service before the marriage contract. If the wife commits to a contract in which she performed herself for a work or service before a contract, is it right for the husband to annulment it? Or does the wife have to commit to implementing it?

The jurists differed in proving the option of annulment for the husband on two points:

- The first saying: The audience of Shafi'iya and Hanabla went on to not prove the option of annulment for the husband and does not have to prevent her from fulfilling the work contract, until the term of the contract expires because the benefits of the wife were owned by a contract prior to the marriage contract, and Shafi'i have been on this kind of marriage "the marriage of a female tenant (tenant thing (Al Ain)),” and some Shafi'i jurists have gone on to prove the option of annulment for the husband if he is ignorant of it.<sup>48</sup>
- The second saying: The Hanafiya went on to say that the husband may terminate the Ijarah contract if it is not with her consent, and they differentiated between the one who disgraces him by renting his wife to breastfeed and the husband who does not disgrace him, the husband who is disgraced by the lease of his wife to breastfeed may terminate because he lends it and is harmed, while the husband who does not disgrace him so cannot be dissolved because the one who is owned by the marriage has benefits for her few and not the benefits of her breast, so she was acting in her right on the lease. They said he has the right to annulment in both points because if she breastfed outside her house, he could prevent her from leaving his house, and if she breastfeeds in his house, he may prevent her from bringing the boy into his house,<sup>49</sup> perhaps this also applies to other than renting for breastfeeding, as it applies to every other work that the woman hires herself to do.

<sup>46</sup> Al-Bujayrami: Suleiman bin Muhammad bin Omar Al-Masri Al-Shafi'i, *Tuhfat Al-Habib on Sharh Al-Khatib - Hashiyah Al-Bujairmi on Al-Khatib*, 4/96, 1415 AH - 1995 AD, Dar Al-Fikr.\* Al-Nawawi: Abu Zakaria Muhyi Al-Din Yahya bin Sharaf, *Al-Majmoo' Sharh Al-Muhadhab* 18/242, Dar Al-Fikr.

<sup>47</sup> Villarreal, J. F., Maietti, F., Araujo Frías, J., & Rodriguez, F. (2023). What do we understand by Islamic "fundamentalism"? A review based on our hermeneutical limits and the sense of history in terms of the juridical-political legacy of such a, | v.11, n. 1|pages: 01-16|e0270|Jan-Jun| 2023. *JOURNAL OF LAW AND SUSTAINABLE DEVELOPMENT* p7.

<sup>48</sup> Abu Yahya: Zakaria bin Muhammad bin Zakaria Al-Ansari, Zain Al-Din Al-Siniki, Asna Al-Matalib in *Sharh Rawd Al-Talib*, 3/436, Dar Al-Kitab Al-Islami,. Ibn Qudamah: Abu Muhammad Muwaffaq al-Din Abdullah bin Ahmad bin Muhammad al-Jama'ili al-Maqdisi and then al-Dimashqi al-Hanbali, al-Mughni, 8/249, 1388 AH - 1968 AD, Cairo Library. \* Al-Bahooti: Mansour bin Yunus bin Salah Al-Din bin Hassan bin Idris Al-Hanbali, *Daqaiq Uwli Al-Naha le Sharh Muntaha* known as *Sharh Muntaha al-Iradat*, 3/48, i: 1, 1414 AH - 1993 AD.

<sup>49</sup> Al-Kasani: Aladdin, Abu Bakr bin Masoud bin Ahmed Al-Hanafi, *Badaa' Al-Sana'i fi Tartib Al-Shara'a* 4/200, 2nd Edition, 1406 AH - 1986 AD, Dar al-Kutub al-Ilmiyya.

It must be noted here that the wife's work inside her home does not forfeit her alimant, but the husband may prevent her from working that affects her health or reduces her beauty, but does not forfeit her alimant if she violates it.<sup>50</sup>

### **Third Requirement: The Effect of the Wife's Earnings on the Necessity of Her Husband's Expense**

We have previously had the proof of a woman's eligibility to own and dispose of her money and the independence of her financial liability, if she works. The theoretical concept built in Intellectual Capital **through intangible assets is Currently untouched by spiritualism. Spirituality is an effort to find the meaning of life.**<sup>51</sup>

The woman has gained from her work, so what she acquires is considered her exclusive property, which the husband cannot dispose of without her permission and consent, God said "But if you want to replace one wife with another and you have given one of them a great amount [in gifts], do not take, from it anything. Would you take it in injustice and manifest sin?"<sup>52</sup> Meaning: If the dowry owned by the woman by the husband is not permissible for him to take from him, it is a matter of first order that he is not entitled to the takes from the product of her work and saves her money.

This is confirmed by the saying of the Prophet (peace and blessings of God be upon him): "Every Muslim's blood, property, and honor are unlawful to be violated by another Muslim." Related by Muslim<sup>53</sup> meaning: what a woman gains from her work enters in general, it is not permissible for the husband to take from her without her permission and consent.

It must be noted here that the husband does not have to require his wife to maintain her house from her money unless he is kind to her, but if she refuses, he does not have to take from her money because she does not have to maintain her, but if he prevents her from going out to work, she must obey him, and if she does not obey him and he is enough for her alimony, she is disobedient and entails the provisions of the disobedience,<sup>54</sup> but if the wife agrees with her husband to participate in the expenses of the house in exchange for allowing her to go out to work, this is permissible

<sup>50</sup> Ibn Abdeen: Muhammad Amin bin Omar bin Abdul Aziz Abdeen Al-Dimashqi Al-Hanafi, Rad Al-Muhtar Al-Durr Al-Mukhtar, 3/577, 2nd Edition, 1412 AH - 1992 AD, Dar Al-Fikr- Beirut.

<sup>51</sup> Prakoso, A., Triyuwono, I., Purwanti, L., Roekhudin, R. (2023) How should intellectual capital development? An Islamic religious perspective, Intern. Journal of Profess. Bus. Review. Miami, v. 8n. 5l p. 01-14e01819l 2023.

<sup>52</sup> Surah An-Nisa'a, Aya 20.

<sup>53</sup> Narrated by Muslim: Ibn Al-Hajjaj Abu Al-Hasan Al-Qushayri Al-Naysaburi, Sahih Muslim, Book of Al-Birr wa Al-Sila wa Al-Adab, chapter: The Prohibition of Injustice, Betrayal, and Contempt for the Muslim, Dar revival of Arab heritage, Beirut. Fouad Abdel Baqi.

<sup>54</sup> Ibn Njeim: Zain al-Din bin Ibrahim bin Muhammad, Al-Bahr Al-Raiq Sharh Kanz Al-Daqaiq, 4/1952nd Edition, Dar al-Kitab al-Islami, \* Al-Sherbiny: Shams Al-Din, Muhammad bin Ahmed Al-Khatib Al-Shafi'i, Mughni al-Muhtaj ila Ma'rifatil Ma'ani al-fadh al-Minhaj, 5/169, 1st Edition, 1415 AH - 1994 AD, Dar al-Kutub al-Ilmiyya, \* Ibn al-Hammam: Kamal al-Din Muhammad ibn Abd al-Wahed al-Siwasi, Fath al-Qadir, 4/383, Dar al-Fikr, \* Al-Mardawi: Alaa Al-Din Abu Al-Hassan Ali Bin Suleiman Al-Dimashqi Al-Salihi Al-Hanbali, Al-Insaf fi Marifat Al-Rajih min Al-Khilaf, 8/360, 2nd Edition, Dar revival of Arab heritage, Beirut.



because it exists. On agreement among themselves. But if a woman is a worker, does her alimony fall on her husband? The woman's work and earnings does not affect her entitlement to alimony from her husband, her alimony is not forfeited because of her earning from her work or her left and the reason for this is that the wife's alimony is not for need but because of her retention of the husband's right, but if the woman's work affects the husband's rights and her retention of his right and her dedication to the affairs of his house and the husband agrees to this and does not oppose that her alimony is not forfeited from her husband, however, if the husband violates his wife and does not authorize her to go out to work, then here the woman may not leave her home and if she goes out she is considered a disobedient person for not obeying the husband and retaining her right.<sup>55</sup> If a working wife goes out without her husband's consent, there is no alimony for her as long as she is out. This applies to what if the husband consents to her exit and then prevents her from that, so some argue that her alimony will not be forfeited if the husband consents to her exit and then prevents her because his consent to her exit and his permission or his decision to marry her and not stipulating her leaving the work is considered consent from him by forfeiting his right to keep her completely for him, Ibn Abdeen said: "There is no objection to him marrying her with her knowledge of her condition, consenting to forfeiting his right".<sup>56</sup> And no one opposed the forfeiture of a woman's maintenance by her leaving without the wife's permission, except for Ibn Hazm, said: "A man's expenses on his wife from the time her marriage is contracted if she is disobedient or not."<sup>57</sup>

And I previously explained the wife's commitment to a contract in which she hired herself for work before the marriage contract, which is what is known as tenant thing (Al Ain), and the jurists stipulated that he does not have to prevent her from working, but they said that her expense forfeits, some of the Shafi'is went to the forfeiting of her expense because the husband is not able to day, and some of them said not the fall of expense, and the correct one is its forfeit,<sup>58</sup> and some of the Hanafias held that its expense fell, and others argued that it did not fall, where it came in "Al-Bahr Al-Raiq": If she gives herself up during the day and not at night or vice versa, she is not entitled to expense, because the delivery is incomplete,<sup>59</sup> and this was objected

<sup>55</sup> Al-Kasani: Aladdin, Abu Bakr Bin Masoud Bin Ahmed Al-Hanafi, Bada'i' as-Sana'i' fi Tartib Al-Shara'i', 4/16, i: 2, 1406 AH - 1986 AD, Dar al-Kutub al-Ilmiyya, \* Al-Shafi'i: Abu Abdullah Muhammad bin Idris bin Al-Abbas bin Othman bin Shafi' bin Abdul-Muttalib bin Abdul Manaf Al-Muttalib Al-Qurashi Al-Makki, Al-Umm, 5/95\_96, 1410 AH/1990 AD, Dar Al-Maarifa - Beirut, \* Ibn Qudamah: Abu Muhammad Muwaffaq al-Din Abdullah bin Ahmad bin Muhammad bin Qudamah al-Jama'ili al-Maqdisi and then al-Dimashqi al-Hanbali, al-Mughni, 8/195\_196, 1388 AH - 1968 AD, Cairo Library.

<sup>56</sup> Ibn Abdeen: Muhammad Amin bin Omar bin Abdul Aziz Abdeen Al-Dimashqi Al-Hanafi, Rad Al-Muhtar Al-Durr Al-Mukhtar, 4/293, 2nd Edition, 1412 AH - 1992 AD, Dar Al-Fikr - Beirut.

<sup>57</sup> Ibn Hazm: Abu Muhammad Ali bin Ahmed bin Saeed Al-Andalusi Al-Qurtubi Al-Zahiri, Al-Muhalla Athar, 9/249, Dar Al-Fikr - Beirut.

<sup>58</sup> Abu Yahya: Zakariya bin Muhammad bin Zakaria Al-Ansari, Zain Al-Din Al-Siniki, Asna Al-Matalib in Sharh Rawd Al-Talib, 3/436, Dar Al-Kitab Al-Islami.

<sup>59</sup> Ibn Njeim: Zain al-Din bin Ibrahim bin Muhammad, Al-Bahr Al-Raiq Sharh Kanz Al-Daqaq, 4/195, 2nd Edition, Dar al-Kitab al-Islami. Ibn Njeim narrated it on the authority of Sahib al-Mujtaba.

to by those who said that the alimony does not fall due to her refusal to surrender herself because of her interest in her work, she is excused and is not considered a disobedient unlike those who she prevented herself from giving herself up during the day and not at night, because she was not injured in that.<sup>60</sup> But the wife may be working and stipulate that the husband continue to go out to work. What is the ruling on this condition?

• **The First View:** It is the view of the majority of jurists, and it is detailed:

- The Hanafi School held that this condition is invalid and null and the contract is valid, and the husband has the right to prevent her from working and if she goes out without his permission, she is considered a disobedient and her right to expense is forfeited.<sup>61</sup>
- As for the Malikis, they considered this condition to be valid and disliked, and it is not necessary to fulfill it, with the recommendation of fulfillment, if the husband prevents his wife from going out and she left without his permission, forfeiting her right to expense.<sup>62</sup>
- As for the Shafi'is, they considered the marriage valid and the condition invalid. In their view, marital expense is obligatory with complete empowerment, not by contract, leaving the house without the husband's consent forfeits the expense, even if it is to go out to worship Hajj.<sup>63</sup> Surah Attaubah verse 105 emphatically states Allah SWT commands that His servants work as a basis for earning a living and sustenance because Allah SWT will assist His servants who like to work, driven by high motivation, that Work in order to be able to fulfill their needs and desires and as a means to always get closer only to Allah SWT. The verse above has a common thread, which discusses human endeavors, that Allah SWT will look at what we do and try<sup>64</sup>

---

<sup>60</sup> Ibn Abdeen: Muhammad Amin bin Omar bin Abdul Aziz Abdeen Al-Dimashqi Al-Hanafi, Rad Al-Muhtar Al-Durr Al-Mukhtar, 5/288, 2nd Edition, 1412 AH - 1992 AD, Dar Al-Fikr - Beirut, \* Ibn Njeim: Zain Al-Din Bin Ibrahim Bin Muhammad, Al-Bahr Al-Raiq Sharh Kanz Al-Daqaiq, 4/195, 2nd Edition, Dar Al-Kitab Al-Islami.

<sup>61</sup> Ibn Abdeen: Muhammad Amin bin Omar bin Abdul Aziz Abdeen Al-Dimashqi Al-Hanafi, Rad Al-Muhtar Al-Durr Al-Mukhtar, 3/578, 2nd Edition, 1412 AH - 1992 AD, Dar Al-Fikr - Beirut, \* Al-Zuzaili: Wahba, Islamic jurisprudence and its evidence, 10/109, 4th Edition.

<sup>62</sup> Al-Kharshi: Muhammad bin Abdullah Al-Maliki Abu Abdullah, Sharh Mukhtasar Khalil Al-Kharshi, 4/191, Dar Al-Fikr for printing - Beirut, \* Al-Zuzaili: Wahba, Islamic jurisprudence and its evidence, 10/109, 4th Edition.

<sup>63</sup> Abu Yahya: Zakaria bin Muhammad bin Zakaria Al-Ansari, Zain Al-Din Al-Siniki, Asna Al-Matalib in Sharh Rawd Al-Talib, 3/436, Dar Al-Kitab Al-Islami, \* Al-Sherbiny: Shams Al-Din, Muhammad bin Ahmed Al-Khatib Al-Shafi'i, Mughni al-Muhtaj ila Ma'rifatil Ma'ani al-fadh al-Minhaj, 5/196, i: 1, 1415 AH -1994 AD, Dar al-Kutub al-Ilmiyya.

<sup>64</sup> Prakoso, A., Triyuwono, I., Purwanti, L., Roekhudin, R.(2023)How should intellectual capital development? An islamic religious perspective Journal of Profess. Bus. Review. Miami, v. 8ln. 5l p. 01–14le01819l 2023.

### The Audience Cited the Following

- The saying of the Prophet, may God's prayers and peace be upon him: "Every condition that is not in the Book of Allah is invalid, even if there are one hundred conditions."<sup>65</sup> the end, belief in Allah SWT will reward us with results commensurate with what we have done because Allah SWT is speedy and precise in its calculations.<sup>66</sup>

**Evidence:** The condition of the wife continuing to work is not in Holy Quran, and the marriage contract does not require it, so it is invalid.

- The saying of the Prophet, may God's prayers and peace be upon him: "**The Muslims are bound by their conditions, except pacifying, which makes what is forbidden permissible, or forbids what is permissible.**"<sup>67</sup>

**Evidence:** The fulfillment of the wife's condition without evidence to prove it, the condition would have been forbidden for the halal to prevent it from the husband's right, which is the wife's retention for him.

**The Second View:** This is what the Hanbalis have held, as they have gone to correct this condition and the obligation to fulfill it. The husband does not have the right to prevent the wife from working after he has agreed to this condition, and the expense does not fall if she leaves without his consent.<sup>68</sup> The Hanbalis cited the following:

Allah said "O you who have believed, fulfill contracts".<sup>69</sup>

**Evidence:** The verse is explicit in the obligation to fulfill contracts, including the marriage contract.

- The saying of the Prophet, may God's prayers and peace be upon him: "**The Muslims are bound by their conditions, except for a pacifying that makes what is forbidden permissible, or forbids what is permissible.**"<sup>70</sup>

<sup>65</sup> Narrated by: Ibn Majah: Abu Abdullah Muhammad bin Yazid al-Qazwini, Sunan Ibn Majah, Kitab al-Ataq, chapter al-Makatib, Hadith No. 842/2, 2521, House of Revival of Arabic Books - Faisal Issa al-Babi al-Halabi, T.: Muhammad Fouad Abd al-Baqi, he said about him Al-Albani: Sahih.

<sup>66</sup> Prakoso, A., Twiyuwono, I., Purwanti, L., Roekhudin, R.(2023)How should intellectual capital development? An islamic religious perspective Intern. Journal of Profess. Bus. Review.I Miami, v. 8In. 5I p. 01–14le01819I 2023 p11.

<sup>67</sup> Narrated by: Al-Tirmidhi: Muhammad bin Isa bin Surah bin Musa bin Al-Dahhak, Abu Issa, Sunan Al-Tirmidhi, chapters of rulings, chapter on what was mentioned on the authority of the Messenger of God, may God bless him and grant him peace, in As-Salih Hadith No. 1352.3/623, 2nd Edition. 1395 AH - 1975 AD.,Mustafa Al-Babi Al-Halabi Library and Printing Company - Egypt, T: Muhammad Fouad Abdul-Baqi, Al-Albani said about him: Sahih.

<sup>68</sup> Al-Mardawi: Alaa Al-Din Abu Al-Hassan Ali Bin Suleiman Al-Dimashqi Al-Salihi Al-Hanbali, Al-Insaf fi Marifat Al-Rajih min Al-Khilaf, 8/362\_363, 2nd Edition, Dar revival of Arab heritage, \* Al-Zuzaili: Wahba, Islamic jurisprudence and its evidence, 10/109, 4th Edition.

<sup>69</sup> Surah Al-Maaida, Aya 1.

<sup>70</sup> It has already been graduated: Translated by: Al-Tirmidhi: Sunan Al-Tirmidhi, chapters of rulings, chapter on what was mentioned on the authority of the Messenger of God, may God's prayers and peace be upon him, on reconciliation between people, 3/6, Hadith No. 1323.

**Evidence:** If a woman requires work, there is nothing forbidden in it. Everything that is permissible to do is permissible to stipulate.

- The saying of the Prophet, may God's prayers and peace be upon him: **"The most worthy conditions to be fulfilled are those by which you make sexual intercourse lawful for yourselves (in marriage)."**<sup>71</sup>

**Evidence:** The most deserving of the conditions for fulfillment is what was in the marriage contract.

### Weighting

From the foregoing, it becomes clear to me that the second opinion is preferable due to the strength of their evidence and to achieve contentment and harmony between the spouses and to prevent discord and conflict. The narrations on the authority of the Prophet may God's prayers and peace be upon him and the companions are what you do not find with other Imams. He said that and what is in its meaning by measurement with him, and what others have adopted to invalidate the conditions of a text may weaken it or weaken its significance, as well as weaken what they adopted of measurement.<sup>72</sup> In the subsequent development, spirituality or religion began to be widely referred to and conditioned the emergence of an era referred to.<sup>73</sup>

## Conclusion and Suggestions

The jurists agreed that it is permissible for a woman to work outside and inside the house, and they restricted this to her husband's permission. Expense is a fixed right of the wife over her husband, and he does not have to force her to work to earn because her maintenance is obligatory on him. The permission of the husband or guardian is required for the woman to go out to work. If her husband permits her to work, her maintenance remains obligatory on him and if he does not give her permission, her expenses are forfeited. It is permissible for a woman to stipulate in the marriage contract that she remains in her work if she is working, and it is desirable to fulfill this condition.

---

<sup>71</sup> Narrated by: Al-Tirmidhi: Muhammad bin Isa bin Surah bin Musa bin Al-Dahhak, Abu Issa, Sunan Al-Tirmidhi, the chapters on marriage, the chapter on what was mentioned in the condition upon the marriage contract, Hadith No. 1127, 3/426, 2nd Edition, 1975 AD, 1395 AH Mustafa Al-Babi Al-Halabi Library and Printing Company - Egypt, T: Muhammad Fouad Abdul-Baqi, Al-Albani said about him: Sahih.

<sup>72</sup> Ibn Taymiyyah: Taqi al-Din Abu al-Abbas Ahmad ibn Abd al-Halim ibn Abd al-Salam ibn Abdullah ibn Abi al-Qasim ibn Muhammad al-Harani al-Hanbali al-Dimashqi, Al-Qawaid Al-Nuraniyah Al-Fiqhiyah, 1/261, 1st Edition, 1422 AH, Dar Ibn al-Jawzi, Saudi Arabia, T.: Dr. Ahmed bin Muhammad al-Khalil.

<sup>73</sup> Prakoso, A., Triyuwono, I., Purwanti, L., Roekhudin, R. (2023) should intellectual capital development? An islamic religious perspective post-secular critical thinking How ntern. Journal of Profess. Bus. Review. Miami, v. 8ln. 5l p. 01–14le01819l 2023.

- I recommend the working woman to contribute to the maintenance of her house, because it is a matter of connection between the spouses and cooperation, which increases affection and harmony between them and keeps them away from disagreement.
- I recommend scholars and those working in the field of preaching to guide the Muslim woman and teach her about her religion and her duties toward her husband and her home, by allocating lessons, lectures and seminars on topics related to money between spouses and guiding them on how to end disputes between them.

The family in Islam is based on cooperation, affection and mercy, not disharmony and enemies. Rather, God made the family the basic building block of society, and it is the first responsible for raising the generation and building the nation. Therefore, the rights and duties between spouses were based on cooperation, sharing and understanding to build a sympathetic and cooperative society. We conclude with this study that rights, whatever they are, are fixed assets, but no spouse should abuse this right, whatever the reasons. The marital relationship is based on understanding, We repeat the question with which we started this article. Does the husband have a financial right over the working wife in return for allowing her to go out to work? Here we answer that the husband has no right to his wife's money, even if she is working. The matter with regard to the wife is voluntary of her own free will, but out of affection and mercy, which are the foundations of the relationship. Marriage, where Islam is keen on cooperation and mutual support for the people of a merciful and cooperative society in all respects affection and mercy. Participation and cooperation is the basis of the family relationship, including alimony, especially if the woman is a worker. There is no money in the family for the wife and money for the husband, but rather one money, even if it is in the Sharia. The meaning derived from the independence of the financial responsibility of the woman is to preserve the rights of the woman, considering the woman in Islam as the jewel that must be preserved and protected. Although the jurists pointed out that the philosophy of the obligation of maintenance lies in the fact that the woman deserves it through obedience. However, obedience is not achieved without mutual understanding and cooperation between the spouses. Hence, we find Islam's keenness to build the foundations of the marital relationship on the basis of cooperation and solidarity, which is reflected in the stability and prosperity of society in general.

## References

Abu Yahya: Zakariya bin Muhammad bin Zakaria Al-Ansari, Zain Al-Din Al-Seniki, Asna Al-Matalib in Sharh Rawd Al-Talib, 3/436, Dar Al-Kitab Al-Islami,\* Ibn Qudamah: Abu Muhammad Muwaffaq Al-Din Abdullah bin Ahmed bin Muhammad Al-Jama'ili Al-Maqdisi, then Al-Dimashqi Al-Hanbali, Al-Mughni, 8/249, 1388 A.H. - 1968 A.D., Cairo Library. \* Al-Bahooti: Mansour bin Yunus bin Salah Al-Din bin Hassan bin Idris Al-Hanbali, Daqaiq Uwli Al-Naha le Sharh Muntaha known as Sharh Muntaha al-Iradat 3/48, 1st Edition, 1414 AH - 1993 AD.

- Al-Adawi: Abu Al-Hassan, Ali bin Ahmed bin Makram Al-Saidi, Hashit Al-Adawi Al Sharh Kifayat Al-Talib Al-Rabbani 2/135, 1414 AH - 1994 AD, Dar Al-Fikr - Beirut, T: Youssef Sheikh Muhammad Al-Beqai.
- Al-Bujayrami: Suleiman bin Muhammad bin Omar Al-Masri Al-Shafi'i, Tuhfat Al-Habib on Sharh Al-Khatib = Hashiyah Al-Bujairmi on Al-Khatib, 4/96, 1415 AH - 1995 AD, Dar Al-Fikr.
- Al-Derini: Fathi, Fathi, Al-Haq wa Mada Sultan Al-Dawlat fi Taqyida, 193, Al-Resala Foundation.
- Al-Fayoumi: Ahmed bin Muhammad bin Ali Al-Muqari, Al-Misbah Al-Munir fi Gharib Al-Sharh Al-Kabir for Al-Rafei 1/143, Scientific Library – Beirut.
- Al-Hanaf: Abdul Aziz bin Ahmed bin Muhammad Alaa Al-Din Al-Bukhari, Kashf Al-Asrar Sharh Usul Al-Bazdawi, 4/134, Dar Al-Kutub Al-Islami\_Naflaha Ibn Njeim: Zain Al-Din bin Ibrahim bin Muhammad Al-Masry, Al-Bahr Al-Raiq Sharh Kanz Al-Daqaiq, 6/148, Dar Al-Kutub Islamic, 2nd Edition.
- Al-Jurjani: Ali bin Muhammad bin Ali Al-Zein Al-Sharif, Definitions, 1/130, Dar Al-Kutub Al-Ilmiyya-Beirut, 1, 1402 AH-1983 AD.
- Al-Kasani: Aladdin, Abu Bakr bin Masoud bin Ahmed Al-Hanafi, Bada' Al-Sana'i fi Tartib Al-Shara'a /200, 2nd Edition, 1406 AH - 1986 AD, Dar al-Kutub al-Ilmiyya
- Al-Kharshi: Muhammad bin Abdullah Al-Maliki Abu Abdullah, Sharh Mukhtasar Khalil Al-Kharshi, 4/191, Dar Al-Fikr for printing-Beirut, \* Al-Zuhaili: Wahba, Islamic jurisprudence and its evidence, 10/109, 4th Edition.
- Al-Mardawi: Aladdin Abu Al-Hassan Ali Bin Suleiman Al-Dimashqi Al-Salihi Al-Hanbali, Al-Insaf fi Marifat Al-Rajih min Al-Khilaf, 8/362-363, 2nd Edition, Dar revival of Arab heritage, \* Al-Zuhaili: Wahba, Islamic Jurisprudence and its Evidence, 10/109, 4th Edition.
- Al-Maroudi: Abu Al-Hasan Ali bin Muhammad bin Muhammad bin Habib Al-Basri Al-Baghdadi, Al-Ahkam Al-Sultaniya, 1/145, Dar Al-Hadith- Cairo.
- Al-Nafrawi: Ahmed bin Ghanem "Abu Ghoneim" bin Salem Ibn Al-Muhanna, Shihab Al-Din Al-Azhari Al-Maliki, Al-Fawakh Al-Dawani on the letter of Ibn Abi Zaid Al-Qayrawani, 1/188, Dar Al-Fikr, 1415\_1995.
- Al-Qarafi: Abu Al-Abbas Shihab Al-Din Ahmed bin Idris bin At Al-Rahman Al-Maliki, Al-Farooq = Anwar Al-Burq fi Anwa' Al-Faraq, 140/1, Dar Al-Kutub Al-Ilmiyya - Beirut - 1418 AH - 1998 AD.
- Al-Razi: Muhammad bin Abi Bakr bin Abdul Qader, Mukhtar Al-Sahah, 1/62, Library of Lebanon - Beirut, 1415 AH \_ 1995 AD.
- Al-Samarqandi: Nasr bin Muhammad bin Ahmed Abu Al-Laith, Tafsir Al-Samarqandi called Bahr Al-Uloom, 3/447, Dar Al-Fikr - Beirut, T: Dr. Mahmoud Matarji.
- Al-Sanhouri: Abdul Razzaq Ahmed, Sources of Truth in Islamic Jurisprudence, 1/9, Dar Al-Nahda Al-Arabiya.
- Al-Sarakhsi: Muhammad bin Ahmed bin Abi Sahel, Al-Mabsout, 5/174\_175, 1414 AH-1993 AD, Dar al-Maarifa- Beirut.
- Al-Shafi'i: Muhammad bin Idris Abu Abdullah, Al-Umm, 1/274, Dar Al-Maarifa \_ Beirut, 1393.
- Al-Shawkani: Muhammad bin Ali bin Muhammad, Fath al-Qadir between the art of narration and the know-how from the science of interpretation, 4/476, Dar Al-Fikr- Beirut.
- Al-Tamimi: Fakhr Al-Din Muhammad bin Omar Al-Razi Al-Shafi'i, Al-Tafsir Al-Kabir aw Mafatih Al-Ghayb, 141/28, Dar Al-Kutub Al-Ilmiyya -Beirut, 1421 AH-2000 AD.
- Al-Zamakshari: Abu Al-Qasim Mahmoud bin Omar Al-Khwarizmi, Al-Kashaf an Haqaiq Al-Tanzil wa Uyun Al-Aqawil fi Wjuh Al-Tawil, 3/430, Dar revival of Arab heritage, – Beirut.
- Al-Zarqa: Mustafa, Islamic jurisprudence in his new dress - Introduction to the general commitment theory in Islamic jurisprudence, 10, Tarbin Press - Damascus, 1384 AH-1965, 1st Edition.
- Aryo Prakoso, A., Iwan Twiyuwono, B., Lilik Purwanti, C., & Roekhudin Roekhudin, D. (2023). How should intellectual capital development? An Islamic religious perspective. *International Journal of Professes in Business Review*Miami, 8(5), 01–14le01819l.
- Holy Quran.
- Ibn Abdeen: Muhammad Amin bin Omar bin Abdul Aziz Abdeen Al-Dimashqi Al-Hanafi, Rad Al-Muhtar Al-Durr Al-Mukhtar, 3/603,2nd Edition, 1412 AH - 1992 AD, Dar Al-Fikr – Beirut.

- Ibn Abdeen: Muhammad Amin Ibn Omar Ibn Abd al-Aziz al-Dimashqi al-Hanafi, Rad Al-Muhtar Al-Durr Al-Mukhtar, 3/603, 2nd Edition, 1412 AH - 1992 AD, Dar al-Fikr - Beirut,\* Ibn Njeim: Zain al-Din Ibn Ibrahim Ibn Muhammad, Al-Bahr Al-Raiq Sharh Kanz Al-Daqaq, 4/212, i: 2, Dar al-Kitab al-Islami.
- Ibn al-Hammam: Kamal al-Din Muhammad Ibn Abd al-Wahed al-Siwasi, Fath al-Qadir, 4/378\_381, Dar al-Fikr.
- Ibn Hajar: Ahmad bin Ali Abu al-Fadl al-Asqalani al-Shafi'i, Fath Al-Bari Sharh Sahih al-Bukhari, 9/316, Dar al-Maarifa - Beirut, 1379.
- Ibn Manzur Muhammad bin Makram the African Egyptian, Lisan Al-Arab, 10/49, Dar Sader -Beirut.
- Ibn Njeim: Zain al-Din bin Ibrahim bin Muhammad, Al-Bahr Al-Raiq Sharh Kanz Al-Daqaq, 4/212, 2nd Edition, Dar al-Kitab al-Islami,\* Ibn al-Hammam: Kamal al-Din Muhammad ibn Abd al-Wahed al-Siwasi, Fath al-Qadir, 4/399, Dar al-Fikr.
- Ibn Njeim: Zain Al-Din Bin Ibrahim Bin Muhammad, Al-Bahr Al-Raiq Sharh Kanz Al-Daqaq, 4/212, 2nd Edition, Dar Al-Kitab Al-Islami.
- Ibn Njeim: Zain al-Din bin Ibrahim bin Muhammad, Al-Bahr Al-Raiq Sharh Kanz Al-Daqaq, 4/195 2nd Edition, Dar al-Kitab al-Islami, \* Al-Sherbiny: Shams al-Din, Muhammad bin Ahmad al-Khatib al-Shafi'i, Mughni al-Muhtaj ila Ma'rifatil Ma'ani alfadh al-Minhaj, 5/169, 1st Edition, 1415 AH - 1994 AD, Dar al-Kutub al-Ilmiyya, \* Ibn al-Hamam: Kamal al-Din Muhammad ibn Abd al-Wahed al-Siyasi, Fath al-Qadir, 4/383, Dar al-Fikr,\* al-Mardawi: Ala al-Din Abu al-Hasan Ali ibn Suleiman al-Dimashqi al-Dimashqi al-Salihi al-Hanbali, Al-Insaf fi Marifat Al-Rajih min Al-Khilaf, 8/360, 2nd Edition, Dar revival of Arab heritage,.
- Ibn Taymiyyah: Taqi al-Din Abu al-Abbas Ahmad ibn Abd al-Halim ibn Abd al-Salam ibn Abdullah ibn Abi al-Qasim ibn Muhammad al-Harani al-Hanbali al-Dimashqi, Al-Qawaid Al-Nuraniyah Al-Fiqhiyah, 1/261, 1st Edition, 1422 AH, Dar Ibn al-Jawzi, Kingdom of Saudi Arabia, d. :: Dr. Ahmed bin Mohammed Al-Khalil.
- Malik: Bin Anas Bin Malik Bin Amer Al-Asbahi Al-Madani, Al-Mudawwana, 4/73, 1st Edition, 1415 AH - 1994 AD, Dar Al-Kutub Al-Ilmia.
- Prakoso, A., Triyuwono, I., Purwanti, L., & Roekhudin, R. (2023) How should intellectual capital development? An Islamic religious perspective. *International Journal of Professes in Business Review* |Miami, 8(5), 01–14|e01819|
- Prakoso, A., Triyuwono, I., Purwanti, L., & Roekhudin, R. (2023) How should intellectual capital development? An Islamic religious perspective. *Journal of Professes Business Review* |Miami 8(5), 01–14|e01819
- Villarreal, J. F., Maietti, F, Araujo, Frías, J, Rodriguez, F. (2023). What do we understand by Islamic “fundamentalism”? A review based on our hermeneutical limits and the sense of history in terms of the juridical-political legacy of such a. *Journal of Law and Sustainable Development*, 11(1), 01–16|e0270|p. 7.

# Investigating the Key Drivers of Islamic Insurance in Morocco: A Structural Equation Modeling Analysis



Hind Lebdaoui, Youssef Chetioui, Houssam Quanbouli, Mariam Ouchen, and Ikram Nait-Ajjou

**Abstract** While Islamic banking products continue to exhibit substantial growth in several predominantly Muslim nations, their market penetration remains limited in other majority Muslim regions (i.e., Morocco). This paper aims to elucidate the key factors influencing consumers' attitudes and intentions to embrace Takaful insurance products among Moroccan consumers. To achieve this goal, we propose and test an integrated framework that combines the Diffusion of Innovation theory (DOI) and the Theory of Planned Behavior (TPB). Through the administration of an online self-administered questionnaire, data was collected from 210 Moroccan respondents and analyzed using Partial Least Squares Structural Equation Modeling. Our findings reveal that Moroccans' attitude toward adopting Islamic insurance is predominantly influenced by perceived risk, religiosity, awareness, reputation, and trust. Still, subjective norms and perceived complexity were found to exert no impact on the attitude toward Takaful adoption. Our results also indicate that trust serves as a mediator in the relationship between attitude and consumers' intention to adopt Takaful, while gender and age had no moderating effect in this connection. This study represents is the first of its kind to discover the factors shaping Takaful adoption in Moroccan and North Africa.

**Keywords** Takaful adoption · Morocco · Religiosity · Trust · Structural equation modeling

## Introduction

The Islamic Banking sector has demonstrated a significant and rapidly growing performance all over the world. Taking a cue from other countries, Morocco has made significant efforts to address this growing financial sector (Farooq & chetioui, 2012) in general and the banking sector in special, which offers a highly promising

---

H. Lebdaoui (✉) · Y. Chetioui · H. Quanbouli · M. Ouchen · I. Nait-Ajjou  
School of Business Administration, Al Akhawayn University, Ifrane, Morocco  
e-mail: [h.lebdaoui@au.ma](mailto:h.lebdaoui@au.ma)

© The Author(s), under exclusive license to Springer Nature Singapore Pte Ltd. 2024  
J. Fraedrich et al. (eds.), *Contemporary Business Research in the Islamic World*,  
Springer Proceedings in Business and Economics,  
[https://doi.org/10.1007/978-981-97-5400-7\\_16](https://doi.org/10.1007/978-981-97-5400-7_16)

277



alternative for the country's economy (El Mallouli et al., 2021). Islamic banking in Morocco reflects the outcome of persistent initiatives and continuous efforts undertaken jointly by many parties, including prospective clients, economic and financial organizations, and banks throughout the years (Echchabi et al., 2015). These intents were initiated in the mid-1980s; nevertheless, in 2007, the earliest tangible and significant move to introduce Islamic banking in Morocco occurred with the issuance of recommendation number 33/G/2007 which was the first legislative move to authorize the marketing of three major products of Islamic banking, respectively, Murabaha, Musharakah and Ijarah, while salaam and Istisnaa remain under study by the Bank Al Maghrib (Malhou & Maimoun, 2020). This move also restricted access to the market of these products by licensing specific financial institutions along with some dedicated affiliates. It is important to point out the bodies that were in charge of setting the terms, rules, and further specifications of these instruments. These were defined jointly with the Professional Group of Moroccan Banks and with referral to the Accounting and Auditing Organization of Moroccan Banks (Echchabi et al., 2015). After that, Morocco officially started a dual banking system in 2007. This first experience had a very slow pace of progress compared to other Arab countries and the outcome was a significant failure (Echchabi et al., 2015). Ten years later, Morocco decided to invest with much more commitment to Islamic finance by learning from its own experience and the experience of the international partners (Malhou & Maimoun, 2020). In the Takaful adoption context, the phase of pre-launch of participatory banks that lasted between 2007 and 2017, the year 2016 has seen the establishment of the first milestone of this new activity with the law 59-13 amending and supplementing the Insurance Code. This law establishes the legal provisions relating to Takaful insurance (Malhou & Maimoun, 2020). According to Insurance and Social Security Control Authority (ACAPS), the year 2022 is pivotal for Takaful insurance as it marks the effective start of this activity after the granting of the first Takaful and ReTakaful (or Takaful reinsurance) approvals by the Insurance and Social Security Control Authority. This is the crowning achievement of a major project of setting up the regulatory framework and standard contracts after obtaining the consent of the Higher Council of Ulema (CSO). Yet, in the Moroccan context, there are limited studies conducted on Islamic insurance. Hence, this research was carried out to study the drivers that affect the intention of the Moroccans to adopt Islamic insurance. Moreover, it was found that an awareness gap exists among those clients involved in Islamic banks, which ultimately contributes to the individuals' low intention to adopt takaful products.

Takaful refers to the Islamic equivalent of a conventional insurance. The concept of "Takaful" originates from "Kafala" which is an Arabic word, implying a guarantee or obligation. (Husin & Rahman, 2016). Takaful signifies pooled or joint guarantee which interpretationally stands for Islamic insurance being widely referred to when compared to conventional insurance (Shaikh et al., 2019). The principle of Takaful is rooted in the Islamic teachings concerning donation, charitable giving, common responsibility, mutual aid, and solidarity to guarantee the stability of social, economic, and political systems (Sarraz & Khurshid Mian, 2021). In Malaysia, Takaful is legally defined as a mutual aid, solidarity, and brotherhood-based scheme

that extends both financial assistance as well as mutual aid to all the participants. Founded in 1979, the Islamic Insurance Company Ltd. is the leading takaful operator in the world which is based in the country of Sudan. As of today, over 100 Takaful operators are operating globally, providing their services in the world, not only in predominantly Muslim nations but extends to other non-majority Muslim countries (Husin & Rahman, 2016).

If nearly all Moroccan citizens are Muslim, the adoption of a tool originating from an Islamic bank should be rather smooth. Yet, the adoption of these instruments; novel, remains very limited for reasons that the study attempts to gauge. If religiosity is a tractable parameter to examine in the process of Moroccan citizen's acceptance of Islamic insurance, others need to be defined and subsequently monitored. For such, our research aims at answering the larger question of what would be behind the adoption or refusal of Takaful through measuring a person's acceptance rate via various variables, all impacting either someone's attitude or his/her trust. The remainder would be effectively displayed as follows; a first section defining the distinct theories we relied on along with their respective variables, a second aimed at explaining the used methodology as well as data gathering to supply the applied software, i.e., SmartPLS4, the third section reports the findings, a fourth provides a discussion and a last concludes by giving out our recommendations along with the paper's limitations.

## **Literature Review**

### ***Theoretical Framework***

#### **The Theory of Diffusion Innovation (DOI)**

In 1962, the theory of Diffusion of Innovation (DOI) was initially introduced by Rogers and subsequently followed by other revisions of its proposed model (Rogers, 2003). Previous literature stated that the DOI framework has been largely implemented to address the innovation acceptance behavior field. (Ali et al., 2019) The DOI theory is composed of two stages: the initiation stage and the implementation stage. Indeed, the first step of adoption and diffusion process is the recognition of a perceived issue or need for an innovative product, leading to identification of a suitable technology for addressing the existing problem or need (Shaikh et al., 2019). As conceptualized by Rogers (2003), there are five phases to the procedure of innovation and decision-making, which are knowledge, persuasion, decision, implementation, and confirmation. Based on the foregoing considerations, this study regards the DOI framework as a suitable and appropriate method to be used within the takaful adoption context (Ali et al., 2019). In employing the DOI theory, this study sees takaful a new concept given the existence of the insurance institution that belongs to the

conventional system which could drive individuals' takaful adoption behavior in Morocco (Shaikh et al., 2019).

### **The TPB: Planned Behavior Theory**

The TPB theory incorporate people's intentions, their opinions as well as their trials in order to understand and explain the behavior of humans (Chetioui et al., 2023a; Raza et al., 2019). According to Hassan and Abbas (2019), the behavioral intentions are more effectively both predicted and explained using TPB instead of the theory of reasoned action. Therefore, it has been commonly implemented in medical investigations and generates highly relevant outcomes. It is also claimed that the TPB theory has also acted as a useful instrument for studying pro-social attitudes and the results are strongly consistent (Lebdaoui et al., 2022). Therefore, TPB is a highly successful predictive approach and a viable instrument for studying people's behaviors and attitudes (Hassan & Abbas, 2019). The TPB theory was chosen because prior literature has successfully used this framework to examine the behavior and intentions of consumers (Lebdaoui et al., 2021; Raza et al., 2019).

### ***Hypotheses Development***

The customer adoption is viewed as a procedure that is conceived to involve a succession of increments in which the client progresses forwards from being knowledgeable about an innovation in the early stages (Chetioui et al., 2023b). This is made through building an attitude regarding that innovation, ultimately leading to a decision to adopt it and through this process adopters can be classified into many categories depending on the rate they go toward adoption (Saaksjarvi, 2003). Classification of adopter segments (innovators, early adopters, early majority, late majority, and laggards) for identifying consumers' adoption propensity (Ali et al., 2019). DOI theory would define innovation being an idea, item, or behavior that is adopted by an individual, whereas diffusion represents the mechanism by means of which the innovation is transmitted throughout the entire social network. In this manner, individuals either adopt that innovation or refuse it (Ali et al., 2019). In relation to adoption, Takaful Islamic insurance has only recently launched in Morocco; hence takaful is considered as a new idea, meanwhile, its diffusion is connected to takaful processes (Ali & Puah, 2017). Furthermore, the potential user's adoption process proceeds in five phases: Knowing, convincing, decision-making, implementing, and validating (Ali et al., 2019).

## Subjective Norms

Subjective norms refer to the pressure imposed by an individual's peers, friends, or family that influences the decision-making behavior of a person to take an action or implement a certain behavior (Ahmed, 2023; Raza et al., 2019). In other terms, subjective norms link to the pressure of a person's referents, including family members, friends, the media, or word-of-mouth, who approve or disapprove the performing of certain actions (Bhatti & Md Husin, 2019). Therefore, despite their personal preferences, individuals may decide to adopt some actions because of their social referent's advice or opinions (Farhat et al., 2019). Studies have found that if other people in the individual's surroundings have adopted an Islamic product and shown its importance, then the person will have a positive attitude toward this financing facility and will adopt it as well, which means that the greater the number of supporters of Islamic home products, the more positive the attitude and acceptance of it will be (Amin et al., 2013). In Islamic home financing literature, studies indicate that subjective norms are one of the factors that influence the customer's acceptance of Islamic home financing (Bananuka et al., 2019). Findings have shown that subjective norms are significantly impacting the intention of postgraduate students to engage in Islamic home financing, which means that if the individual perceives that many people in the surrounding area have adopted this product, then this person will be adopting it as well (Amin et al., 2013). Based on the above, we can hypothesize that:

*H1: Subjective Norms Have a Positive Effect on Attitude Toward Takaful Adoption*

## Perceived Complexity

Perceived complexity reflects the level of risk or difficulty related to the understanding and the usage of an idea or innovation (Ali et al., 2019). In other words, complexity refers to the level by which people perceive an innovative idea or product as difficult to use. Various studies have found that there is a negative relationship between the intention of people to use Islamic banking services and perceived complexity (Shaikh et al., 2019). Other findings have found that the simplicity of products is positively influencing customers' positive attitude and intention toward Islamic home financing (Kaabachi & Obeid, 2016). However, some studies revealed that perceived complexity is significantly influencing the adoption decision. Moreover, it was found that when it comes to the adoption or abandonment of mobile banking in Saudi Arabia, complexity is considered as a negligible element (El Mallouli & Sassi, 2021). Moreover, these studies have also shown that in Pakistan, perceived complexity is one of the drivers that influence the adoption of Islamic banks positively (El Mallouli & Sassi, 2021). We therefore hypothesize that:

*H2: Perceived Complexity Has a Positive Effect on Attitude Toward Takaful Adoption*

## Religiosity

Religiosity refers to one's particular religious practices and beliefs (Ali et al., 2019). The term religiosity is commonly used to describe the level of commitment a person shows toward a particular religious affiliation (Abou-Youssef et al., 2015), which means that religiosity constitutes an individual's way of life, which is reflected in personal values as well as in social attitudes (Ali et al., 2019). The notion of religiosity does not exist as a mono-dimensional term; it instead refers to a variety of aspects of religion. It comprises the beliefs, experiences, practices, the knowledge, and how these components influence people's day-to-day life. More precisely, it is stated that Islamic religiosity consists of the dedication to the core principles of Islam, both in theory and in practice, through fulfilling the rights of Allah, safeguarding other people's rights, abiding by Allah's commands, keeping away from evil deeds, and worshiping (Abror et al., 2022). In this sense, religiosity captures the willingness of people to adhere to religion and worship as commanded by Allah (Abou-Youssef et al., 2015). For many consumer goods, the Islamic religion permits or prohibits some products or services and has a significant impact on people's attitudes, sometimes in a negative way if products/services are prohibited under Islamic law (haram), in a positive way if permitted (halal) (Abror et al., 2022). The findings of some preliminary research indicate that there is evidence that religiosity is significantly influencing consumers' attitudes (Junaidi, 2021). It was also found that religion is shaping the knowledge, beliefs, and attitudes of individuals (Aziz et al., 2019). Moreover, (Junaidi, 2021) declared that there is a strong correlation between religiosity and customers' attitudes toward the sector of Islamic finance in the countries Egypt and Uganda. Similarly, both externally and intrinsically driven religiosity is potentially impacting consumers behavior and therefore considered as an indicator of customers' attitudes (Bananuka et al., 2019). We therefore hypothesize that:

**H3: Religiosity Has a Positive Effect on Attitude Toward Takaful Adoption**

## Awareness

Awareness is the capability of perceiving and feeling that one could have toward certain products or services (Junaidi, 2022). Alternatively, it refers to the absence of concern about a product or service expressed by individuals (Shaikh et al., 2019). Awareness might be used to describe the level of information that customers have regarding certain products, services, or circumstances (Raza et al., 2019). It assists customers in choosing a product and deciding on a purchase. Customers do not have the incentive to purchase a good or service unless they are made aware of it (Shaikh et al., 2019). Consumer awareness is a stage of pre-consideration occurring prior to an individual beginning the phase of knowledge, persuading, deciding, and confirming to embrace a novel idea (Ali et al., 2019). Awareness is also defined as the customer capacity both of feeling and perceiving goods and services. Generally, it was assumed to be a significant player in the choice process made by Muslim customers (Islam &

Rahman, 2017). Broadly speaking, some people think that the major distinction between participative and conventional banks is the ban of Riba or interest rate application (Tabrani et al., 2018). Consequently, to foster the Islamic banking system, favorable factors provide an equitable framework that is based on sharing of profits and losses which involves counterbalancing risks. Islamic rules of shariah make costumers aware of all aspects of life that Allah forbids including trading activities that involves speculation behaviors which are referred to as Gharar or risk along with business operations involving gambling which is called in Arabic Maisir as well as other behaviors related to food and drinks which are mainly containing Haram elements like alcoholic drinks and pig meat (Islam & Rahman, 2017). Additionally, the Islamic system founded on the principle of justice legalizes making profits in halal, paying zakat to the appropriate people, cooperating toward charitable and social goals, and forbids practicing monopolism (Tabrani et al., 2018). Consumer awareness is proven to have a direct positive impact on costumer attitude (Islam & Rahman, 2017). Prior studies have found that awareness influences customer's choice toward Participative banking products and services available in the market (Kaakeh et al., 2019). Therefore:

*H4: Awareness Has a Positive Effect on Attitude Toward Takaful Adoption*

### **Perceived Risk**

Perceived risk indicates the uncertainty about the potential negative outcomes related to the use of a product or service (El Mallouli & Sassi, 2021). In other words, perceived risk is one's perception of the uncertainty that is linked to the possible negative results of buying a good or service (Kaabachi & Obeid, 2016). Studies have found that the higher the uncertainty of the negative outcomes, the higher the perceived risk (Charag et al., 2019). Therefore, researchers have recognized perceived risk as a strong indicator that is used to explain the behaviors of customers who mostly try to lower the possibility of failure when deciding to use a good or service (Charag et al., 2019). Other literature has also hypothesized that perceived risk is positively impacting the customer's behavioral willingness to use Islamic bank products and services (Albashir et al., 2018). Moreover, in the case of internet banking, the fundings depict that perceived risk impacts customers' attitudes and is a barrier for them (Charag et al., 2019). Hence:

*H5: Perceived Risk Has a Positive Effect on Attitude Toward Takaful Adoption*

### **Reputation**

Referred to as a prospective attribute or generic trait as viewed or assessed by people, reputation has been known to alter one's decision-making (Hutton et al., 2001). Reputation was identified as a core driver of corporate achievement and is a precious, immaterial attribute (Corkindale & Belder, 2009). It is viewed to be a

strategic differentiator that translates into enterprise achievement, client loyalty, and a greater likelihood of gaining new recruits (Walsh et al., 2015). Embodied in a greater approval score, the latter ought to instinctively liberate the innovation by instilling a feeling of ease among the one whose undivided attention is in demand (Gardberg & Fombrun, 2002). This explains one's anticipated assessment of a notion's reputation on an individual's certitude (Walsh & Beatty, 2007). Not having previously entered the equation for measuring a customer's acceptance of Islamic insurance, this variable makes our study somewhat distinct and admits a favorable response to reputation's ability to positively guide a respondents' intention. The following hypothesis is put forward:

**H6:** *Reputation Has a Positive Effect on Trust*

## **Trust**

Many investigations have explored the relevance of trust. Stratified as a social construct rooted in interpersonal dealings (Benbasat & Wang, 2005), it may, when augmented, alter one's behavior and thus perception to espouse a novel technique (Ali et al., 2021). From a corporate view, both an unavailability of direct contact and resulting isolation cause insecurity, thus raising concerns, privacy matters, and risk associations. As there is no hold of actual assets, coupled with a drawn-out void between the insurance holder and his/her agency, trust becomes a vital ingredient in forming bonds (Chang & Wong, 2010). The variable is deemed to exhibit a moderating force as opposed to directly weighing in on adoption intent (Alsaad et al., 2017). The client ceding information of personal origin perceives a definite hazard, if no trust exists, and heavily repels the other parties' offer and thus the proposed service (Rehman et al., 2012). Research has shown that trust has a substantial and beneficial influence on consumers' willingness to pay for insurance coverage (Khan & Siddiqui, 2017). Within the online insurance domain, findings support a positive action due to trust among unaware clients (Luo et al., 2019). Imperfectly stimulating, the variable mediates the relationship among attitude, religiosity, awareness, and subjective norms in the buying intent, implying that the higher the client's comfort toward Islamic insurance services, the more likely he/she is to consider Takaful (Poan et al., 2021).

**H7:** *Trust Has a Positive Effect on Consumers' Intention to Adopt Takaful*

**H8:** *Trust Mediates the Relationship Between Attitude and Consumers' Intention to Adopt Takaful*

## **Attitude**

Attitude is defined as an individual's intention to buy or carry a specific item or service (Farhat et al., 2019), repeatedly considered in the study of the interplay between a

citizen's rejection or adoption of an innovation, crystallizes our ninth hypothesis asserting its affirmative outcome on the adoption of Participative insurance. Among the drivers of intent to employ a novel approach (Shaikh & Karjaluo, 2015), attitude is a significant predictor of potential customers' willingness to switch over to Islamic banking (Maryam et al., 2021). This research indeed regards reputation as an influencing element of the attitude toward Takaful through trust, resulting in the so-called love triangle, of which all three variables contribute into making the innovation more convenient. Attitude is integral to altering one's conduct and purpose (Raza et al., 2019). If the service matches or surpasses a person's aspirations, his or her attitude regarding involvement in Takaful is almost guaranteed (Husin & Ab Rahman, 2013). Attitude and disposition toward Takaful are what emerged to be the major determinants in previous studies, whereby the latter may directly impact the client's eventual intention (Raza et al., 2019). Besides, consumers' demeanor and expectations linked to the willingness to opt for Takaful schemes positively influences the service experience along with the final rating (Butt & Aftab, 2013).

*H9: Attitude Has a Positive Effect on Consumers' Intention to Adopt Takaful*

### **Moderating Effect: Gender and Age**

For this research, we choose gender as a moderator variable among the demographic variables. Gender may impact customers' attitudes toward Takaful adoption. Through analyzing the differences between customers using demographic variables, it was found that men and women showed significant fluctuations related to the adoption behavior (Shaikh et al., 2019). Prior studies on adoption that have used age as a moderator found evidence of differences across gender stratas (Alserhan et al., 2023; Davis & Venkatesh, 1996; Venkatesh et al., 2003). In the context of this research, age is also hypothesized to impact clients' attitudes toward Takaful adoption. In addition, younger customers have a greater interest in extrinsic rewards (Venkatesh et al., 2003) (Fig. 1).

*H10a: Age Moderates the Relationship Between Attitude and Consumers' Intention to Adopt Takaful*

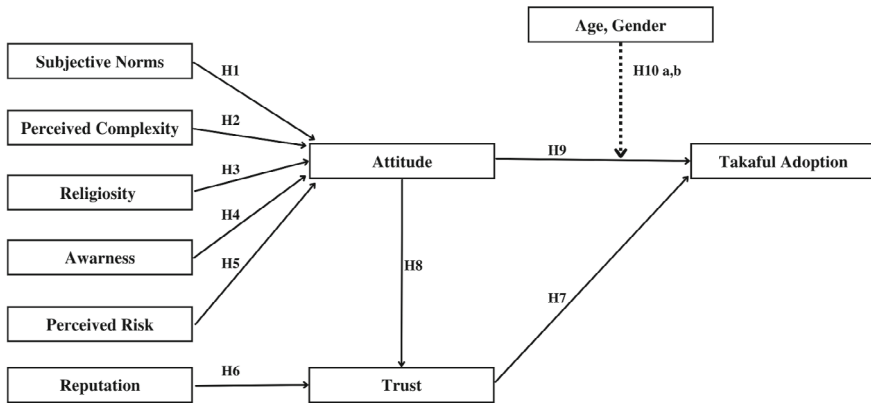
*H10b: Gender Moderates the Relationship Between ATT and Consumers' Intention to Adopt Takaful*

## ***Data and Methodology***

### **Data Collection**

Convenience sampling approach was used via an online self-administered survey. To measure the constructs of the model, a five-point Likert scale was used (scores





**Fig. 1** Conceptual model

ranged from 1 = ‘strongly disagree’ to 5 = ‘strongly agree’, with the ‘neutral’ score = 3). This scale would effectively enable respondents to communicate their opinions regarding this research as it provides them with a wider range of agreement levels. The survey was available in French as it is the most likely language that most Moroccan citizens will understand to get the maximum of responses. The questionnaire respondents were meant to be older than 18 years as we are targeting insurance participants that are expected to have awareness of the concept of insurance in general and Takaful insurance in particular. The survey was distributed to over 500 Moroccan residents, the latter generated 210 separate replies. Then, the data were downloaded from Google forms as an excel file. Afterward, a code was assigned to each question; all questions were coded by using letters and numbers based on abbreviation and sequence.

**Measures**

In trying to delimit possible linkages, the theory of Diffusion of Innovation and the TPB are to be relied upon. Indeed, drawing on the perceived complexity of DOI and the two conventional factors of TPB, namely subjective norms and attitude, we shall later analyze the resulting data. Besides, five additional constructs are to be analyzed; Awareness, Religiosity, Trust, and Perceived risk, brought out from literature review along with Reputation as a novel determinant of Takaful adoption. Age and Gender would eventually help distinguish whether the two act as moderators or not. Specifically, this study seeks to ascertain the effect of Subjective Norms, Perceived Risk, Perceived Complexity, Awareness, and Religiosity on the Moroccan customer’s attitude separately from that of reputation on his or her trust level. The following should illustrate attitude dependency on trust and hence the ultimate behavioral response to an innovation, citing Takaful. To test and approve the research model on Takaful adoption, Structural Equation Modeling (SEM) was implemented in this

research. SEM is regarded as a family of statistical models that explores the relationships and links between multiple variables (Shuhaiber & Mashal, 2019). The SEM allows the study leader to formulate complex relationships between variables and to have a more complete view of the overall model. SEM is widely employed in the research of behavioral sciences and marketing, information technology, and systems research. PLS is the most popular method for both causality and prediction and is better adapted to developing theory than to verifying it (Chetioui et al., 2017a). The technique is also appropriate when dealing with small samples for estimating and performing tests as our sample contains only 210 observations. Another positive point is that the PLS technique can be implemented for complicated structure equation models containing many different constructs (Chetioui et al., 2017b). Therefore, SEM employing the PLS technique was employed in the present research about takaful adoption in Morocco to be able to test the global structure of the model we build. The PLS model is commonly investigated and interpreted in two steps: first, through assessment of construct and item reliability and validity of the measurement model; and second, through evaluation of the structural model by analyzing the path coefficients and determining the appropriateness of the searching model (Shuhaiber & Mashal, 2019). The following sections of our paper report the results of these two steps, based on the software SmartPLS4.0.

## ***Results***

### **Assessment of Measurement Model**

The measurement items for Subjective Norms, Perceived Complexity, Religiosity, Awareness, Perceived Risk, Reputation, Attitude, Trust, Age, Gender, and Takaful adoption are considered as reflective based on prior literature (Chetioui et al, 2023c). Table 1 represents the evaluation of the measurement model. The research's convergent validity is evaluated by analyzing the outer loadings, composite reliability (CR), as well as average variance extracted (AVE) as a convergent validity measurement instrument. Table 1 indicates the measurement model of the used variables in this research (Subjective Norms, Perceived Complexity, Religiosity, Awareness, Perceived Risk, Reputation, Attitude, Trust, Age, Gender, and Takaful adoption). It was found that all the loadings of the measurement's items for the different variables are greater than 0.7 excluding the two last items of perceived complexity (PC2 and PC3) that have 0.434 and 0.459, respectively. For Cronbach's alpha, the results were above 0.7 which demonstrates significant composite reliability except for perceived risk which has a value of 0.680. It was found that all the constructs have AVE values that are greater than 0.5 which indicates the convergent validity of all the constructs except for perceived complexity that has a value of 0.465. The study uses the Heterotrait–Monotrait ratio (HTMT) to assess the discriminant validity. The HTMT results revealed that the values of the constructs are less than 0.9 as stated by prior studies.

Based on the HTMT results, the discriminant validity is approved. The results of the discriminant validity are summarized in the appendices section of this paper.

### Assessment of the Structural Model

Estimating the path coefficients and  $p$ -value is part of the analysis of the structural model. The path coefficients are a measurement tool used to examine the strength of the model's relations between the independent and the dependent variables. As shown in Table 2, subjective norms is not significantly impacting attitude (H1,  $\beta = 0.066$ , a  $p$ -value of 0.155) using a 5% significance level. The insignificant relationship is also seen between perceived complexity and attitude (H2,  $\beta = 0.115$ , a  $p$ -value of 0.095). Thereby, H1 and H2 are rejected.

The significant path coefficients from religiosity to attitude ( $\beta = 0.300$ , a  $p$ -value of 0) provide support for H3. Moreover, H4 is also accepted as the findings indicate that the level of awareness is positively impacting attitude ( $\beta = 0.284$ , a  $p$ -value of 0). Perceived risk is also positively influencing attitude as the results depict (H5,  $\beta = 0.220$ , a  $p$ -value of 0). We also observed a significant impact of reputation on trust thus H6 was accepted. We also found that trust is significantly impacting Takaful adoption meaning that H7 is accepted. The results proved that trust mediates between attitude and Takaful adoption therefore H8 is supported with a  $p$ -value  $< 0.05$ . In addition, H9 is supported which means that there is a significant relationship between attitude and adoption. The data showed that H10a and H10b are rejected on the basis of the calculated  $p$ -value  $< 0.05$  and  $\beta$  equal to 0.028 and  $-0.065$ , respectively, which means that age and gender do not moderate the relationship between attitudes and adoption of Takaful.

The results showed that attitude and trust explained a 65.5% variation in Takaful Adoption. Moreover, 41.3% of the variation in Attitude was explained by Subjective Norms, Perceived Complexity, Religiosity, Awareness, and Perceived Risk. Equally, a 48.2% variation in Trust was explained by Reputation and Attitude. The results have also shown that the model's endogenous constructs have moderate predictive relevancy as  $Q^2$  values were found to be greater than 0 as shown in the Table 3.

### Discussion

The overriding rationale of the analysis was to explore the odds of certain drivers, namely subjective norms, perceived complexity, and attitude, in predicting the adoption of Participative insurance in Morocco via the DOI and TPB theories. Supplementary variables enacted in former investigations were coupled with the earlier theoretical variations. The suggested pattern implies that six out of the ten mentioned forecasters affect the willingness of Moroccan respondents to opt for the Islamic insurance. Indeed, unlike the first two stipulated theories, it has been shown that subjective norms as well as perceived complexity do not significantly affect the

**Table 1** The assessment measurement model

Constructs	Items	Loadings	CA	CR	AVE	VIF	Constructs	Items	Loadings	CA	CR	AVE	VIF	
ADP	ADP1	0.929	0.934	0.958	0.884	3.549	TRST	TRST1	0.885	0.873	0.922	0.798	2.385	
	ADP2	0.955				4.843		TRST2	0.932					3.274
	ADP3	0.937				4.000		TRST3	0.861					2.158
ATT	ATT1	0.943	0.924	0.952	0.868	4.307	PC	PC1	0.999	0.770	0.691	0.465	1.231	
	ATT2	0.931				3.869		PC2	0.434					2.498
	ATT3	0.921				2.939		PC3	0.459					2.529
AWR	AWR1	0.884	0.884	0.928	0.810	2.410	PR	PR1	0.855	0.680	0.822	0.607	1.450	
	AWR2	0.912				2.501		PR2	0.746					1.411
	AWR3	0.905				2.570		PR3	0.731					1.215
RLG	RLG1	0.878	0.760	0.863	0.678	2.021	REP	REP1	0.913	0.909	0.943	0.847	2.943	
	RLG2	0.714				1.309		REP2	0.944					4.062
	RLG3	0.869				1.850		REP3	0.904					2.844
SN	SN1	0.884	0.904	0.939	0.836	2.628								
	SN2	0.935				2.951								
	SN3	0.923				3.226								

**Table 2** Hypothesis testing

Paths	$\beta$	<i>T</i> -statistic	<i>p</i> -value	$R^2$	$f^2$	$Q^2$	Decision
Factors affecting attitude				0.413		0.372	
H1 SN → ATT	0.066	1.015	0.155		0.006		Not supported
H2 PC → ATT	0.115	1.309	0.095		0.018		Not supported
H3 RLG → ATT	0.300	4.510	0.000		0.132		Supported
H4 AWR → ATT	0.284	5.180	0.000		0.115		Supported
H5 PR → ATT	0.220	3.338	0.000		0.064		Supported
Factors affecting Trust				0.482		0.469	
H6 REP → TRST	0.538	9.046	0.000		0.460		Supported
Factors affecting adoption				0.655		0.353	
H7 TRST → INT	0.096	1.802	0.036		0.020		Supported
H9 ATT → INT	0.775	16.007	0.000		0.902		Supported
Mediating effect of trust							
H8 ATT → TRST	0.267	3.790	0.000		0.113		Supported
Moderating effect: age and gender							
H10a age × ATT → INT	0.028	0.789	0.215		0.003		Not supported
H10b gender × ATT → INT	-0.065	0.708	0.239		0.003		Not supported

**Table 3** Analysis of predictive accuracy

	$R^2$	$Q^2$
Intent	0.655	0.353
Attitude	0.413	0.372
Trust	0.482	0.469

participant's attitude and hence adoption of Takaful. The first and second assumptions are consequently dismissed, which does not necessarily accord with the findings of preceding research. In 2013, Amin et al.'s study found evidence of a positive relationship between subjective norms and behavioral intent of graduate students to embrace Islamic financing tools, implying that if an individual sees many people in his or her entourage as engaging in such a practice would also tend to do the same. On their side, El Mallouli & Sassi were able to demonstrate through their 2021 research that in Pakistan, perceived complexity does have a favorable influence on the acceptance of Islamic banks. On the other hand, the following three hypotheses, namely H3, H4, and H5, proved to be true as the findings admit a significantly positive impact of religiosity, awareness, and perceived risk on the adoption of Islamic insurance. In line with our previous discoveries in the literature review, all three variables indicate a significant change in the behavior of the Moroccan citizen toward a novel practice such as Takaful. The lack of knowledge, participants' faith, as well as the rate of risk associated with the use of Takaful as determined by those who acknowledge the tool, influence the final decision. In view of an absent assessment of the effects of reputation on the adoption of Takaful, our study exclusively provides a significant and positive impact of the latter and thereby validates hypothesis number 6. Perceived as a critical determinant of decision-making across the spectrum (Corkindale & Belder, 2009), reputation does play a pivotal part in the adoption of various instruments including Islamic insurance. The study effectively confirms the claims of H8 and H9 by emphasizing the dual role of trust as a positive impact on the Moroccan citizen's adoption and a moderating agent between the individual's attitude and subsequent acquisition. Perfectly, in line with last year's study by Poan et al., the resulting pattern manifests that practical ease which changes a person's visionary behavior quite hardly but in such a way that trustworthiness is established through an adequate frame of mind. The attitude has in fact scored a positive impact on the adoption of Takaful following the results provided, giving truth to hypothesis number 9. The variable is reported as a major affecting in the study of Takaful adoption across different regions (Raza et al., 2019). Eventually, the last two hypotheses are found to be invalid as participants' age and gender have little influence on their reactions toward Islamic insurance, thus limiting the two variables' moderating aspect.

## Conclusion

Islamic dictum stresses on the mutual interests of the people. The conventional financial scheme has matured along with diverse shortcomings. As technology, education, and human progress have grown, insurance is turning into a vital component of the global financial sector. It is conceivable to argue that the study's findings are certainly instructive for anyone engaged in Islamic finance at large and Islamic insurance at special. Within the Moroccan setting, widely regarded as a buoyant niche for Takaful, it may be relevant to clarify the drivers that may push target clients into Islamic insurance adoption. The current study seeks to ascertain the influencing

forces on the take-up of Takaful. The investigation not only informs the reader, but also surveys individuals' understanding of the tool. It reveals a slight positive attitude toward Takaful usage, but also a negative or absent one due to changing reasons. The research is of immense value to Takaful practitioners, as it purely indicates significant fields to address. These actors ought to elaborate policies and agendas to publicize the instrument. When the right target is reached, such a known-about would divulge information about the so-highly feared risk thought to be associated with the Islamic insurance. Additionally, some awareness raising, and educational outreach are expected to change the mind of those with caveats about Takaful. In class, when speaking of the banking and financial regime, it would already be of interest to quote the presence of Islamic banks and inform little but directly children of its existence. One question within the household might initiate a debate on the matter and commence insightful knowledge vis-à-vis the Islamic financial system. Due to the acknowledged limitations of the report, the paper further urges upcoming scholars and trainees to explore additional triggers that may impact the adoption of Takaful, by perhaps leveraging better techniques. Given the inconsistency of our results in terms of the variables; subjective norms and perceived complexity, with those of other studies, a larger sample's responses' analysis may verify or contradict our current findings. Also, the inclusion of supplementary variables can provide a more in-depth insight into the elements affecting the decision to choose a Takaful plan over conventional schemes. Effectively, as trust and attitude mainly determine whether to adopt Takaful, which other variables could conceivably affect both and ultimately the adoption of Islamic insurance?

## References

- Abou-Youssef, M. M. H., Kortam, W., Abou-Aish, E., & El-Bassiouny, N. (2015). Effects of religiosity on consumer attitudes toward Islamic banking in Egypt. *International Journal of Bank Marketing*, 33(6), 786–807. <https://doi.org/10.1108/ijbm-02-2015-0024>
- Abror, A., Patrisia, D., Engriani, Y., Idris, I., & Dastgir, S. (2022). Islamic bank trust: The roles of religiosity, perceived value and satisfaction. *Asia Pacific Journal of Marketing and Logistics*, 34(2), 368–384. <https://doi.org/10.1108/apjml-10-2020-0715>
- Ahmed, A. H. (2023). The impact of attitude and subjective norms on customers behavior toward Islamic banking: Evidence from Palestine. In V. Ramadani, B. A. Alserhan, L. P. Dana, J. Zeqiri, H. Terzi & M. Bayirli (Eds.), *Research on Islamic business concepts. GIMAC 2021. Springer proceedings in business and economics*. Springer. [https://doi.org/10.1007/978-3-031-18663-9\\_4](https://doi.org/10.1007/978-3-031-18663-9_4)
- Albashir, W. A., Yuserrie, Z., & Panigrahi, S. (2018). The acceptance of Islamic banking products in Libya: A theory of planned behavior approach. *International Journal of Economics and Financial Issues*, 8(3), 105–111.
- Ali, M., & Puah, C. H. (2017). Acceptance of Islamic banking as innovation: A case of Pakistan. *Humanomics*, 33(4), 499–516. <https://doi.org/10.1108/h-11-2016-0085>
- Ali, M., Raza, S. A., Puah, C. H., & Amin, H. (2019). Consumer acceptance toward takaful in Pakistan. *International Journal of Emerging Markets*, 14(4), 620–638. <https://doi.org/10.1108/ijem-08-2017-0275>

- Ali, M., Raza, S. A., Khamis, B., Puah, C. H., & Amin, H. (2021). How perceived risk, benefit and trust determine user Fintech adoption: A new dimension for Islamic finance. *Foresight*.
- Alsaad, A., Mohamad, R., & Ismail, N. A. (2017). The moderating role of trust in business to business electronic commerce (B2B EC) adoption. *Computers in Human Behavior*, 68, 157–169.
- Alserhan, B., Gleason, K., Zeqiri, J., Aloudat, A. S., & Bashbsheh, H. (2023). Gender, institutions, and entrepreneurship: Evidence from Jordanian women in the tourism sector. In V. Ramadani, B. A. Alserhan, L. P. Dana, J. Zeqiri, H. Terzi & M. Bayirli (Eds.), *Research on Islamic business concepts. GIMAC 2021. Springer proceedings in business and economics*. Springer. [https://doi.org/10.1007/978-3-031-18663-9\\_8](https://doi.org/10.1007/978-3-031-18663-9_8)
- Amin, H., Abdul-Rahman, A. R., & Abdul-Razak, D. (2013). An integrative approach for understanding Islamic home financing adoption in Malaysia. *International Journal of Bank Marketing*, 31(7), 544–573. <https://doi.org/10.1108/ijbm-02-2013-0008>
- Aziz, S., Md Husin, M., Hussin, N., & Afaq, Z. (2019). Factors that influence individuals' intentions to purchase family takaful mediating role of perceived trust. *Asia Pacific Journal of Marketing and Logistics*, 31(1), 81–104. <https://doi.org/10.1108/apjml-12-2017-0311>
- Bananuka, J., Kasera, M., Najjemba, G. M., Musimenta, D., Ssekiziyivu, B., & Kimuli, S. N. L. (2019). Attitude: Mediator of subjective norm, religiosity and intention to adopt Islamic banking. *Journal of Islamic Marketing*, 11(1), 81–96. <https://doi.org/10.1108/jima-02-2018-0025>
- Benbasat, I., & Wang, W. (2005). Trust in and adoption of online recommendation agents. *Journal of the Association for Information Systems*, 6(3), 4.
- Bhatti, T., & Md Husin, M. (2019). An investigation of the effect of customer beliefs on the intention to participate in family Takaful schemes. *Journal of Islamic Marketing*, 11(3), 709–727. <https://doi.org/10.1108/jima-04-2018-0066>
- Butt, M. M., & Aftab, M. (2013). Incorporating attitude towards halal banking in an integrated service quality, satisfaction, trust and loyalty model in online Islamic banking context. *International Journal of Bank Marketing*, 31(1), 6–23.
- Chang, H. H., & Wong, K. H. (2010). Adoption of e-procurement and participation of e-marketplace on firm performance: Trust as a moderator. *Information and Management*, 47(5–6), 262–270.
- Charag, A. H., Fazili, A. I., & Bashir, I. (2019). Determinants of consumer's readiness to adopt Islamic banking in Kashmir. *Journal of Islamic Marketing*, 11(5), 1125–1154. <https://doi.org/10.1108/jima-10-2018-0182>
- Chetioui, Y., Abbar, H., & Benabbou, Z. (2017a). Organizational factors affecting customer relationship management in service companies: Case of Moroccan banks. *International Journal of Innovative Science and Research Technology*, 2(9), 239–248.
- Chetioui, Y., Abbar, H., & Benabbou, Z. (2017b). Do CRM dimensions improve Hotels occupancy rates? Evidence from the Moroccan hospitality sector. *International Journal of Management Excellence*, 9(3), 1172–1182. ISSN: 2292-1648, <https://doi.org/10.17722/ijme.v9i3.943>
- Chetioui, Y., Errachid, Y., & Lebdaoui, H. (2023a). Organizational justice, employee empowerment, and innovative behavior in the post-COVID era: Evidence from SMEs in a majority-Muslim country. In V. Ramadani, B. Alserhan, L. P. Dana, J. Zeqiri, H. Terzi & M. Bayirli (Eds.), *Research on Islamic business concepts. GIMAC 2022. Springer proceedings in business and economics*. Springer. [https://doi.org/10.1007/978-981-99-5118-5\\_11](https://doi.org/10.1007/978-981-99-5118-5_11)
- Chetioui, Y., Lebdaoui, H., & Hafid, N. (2023b). Mobile banking usage in the postpandemic era: Demystifying the disparities among divergent user segments in a majority-Muslim country. *Journal of Islamic Marketing, Ahead-of-print*(ahead-of-print). <https://doi.org/10.1108/JIMA-08-2022-0232>
- Chetioui, Y., Butt, I., Fathani, A., & Lebdaoui, H. (2023c). Organic food and Instagram health and wellbeing influencers: An emerging country's perspective with gender as a moderator. *British Food Journal*, 125(4), 1181–1205.
- Corkindale, D., & Belder, M. (2009). Corporate brand reputation and the adoption of innovations. *Journal of Product and Brand Management*.



- Davis, F. D., & Venkatesh, V. (1996). A critical assessment of potential measurement biases in the technology acceptance model: Three experiments. *International Journal of Human-Computer Studies*, 45(1), 19–45. <https://doi.org/10.1006/ijhc.1996.0040>
- Echchabi, A., Abd. Aziz, H., Ayedh, A. M., Azouzi, D., Musse, O. S. H., & Houssein Eddine, C. O. (2015). Current state and future prospects of Islamic banking in Morocco: An empirical investigation. *Journal of Emerging Economies and Islamic Research*, 3(2), 18. <https://doi.org/10.24191/jeeir.v3i2.9055>
- El Mallouli, A., & Sassi, H. (2021). Determinants of Islamic banking products and services adoption in Morocco: A conceptual framework. *Journal of Islamic Marketing*, 13(7), 1589–1605. <https://doi.org/10.1108/jima-06-2020-0194>
- Farhat, K., Aslam, W., & Sany Sanuri, B. M. M. (2019). Predicting the intention of generation M to choose family takaful and the role of halal certification. *Journal of Islamic Marketing*, 10(3), 724–742. <https://doi.org/10.1108/jima-12-2017-0143>
- Farooq, O., & Chetoui, Y. (2012). Corporate governance and stock price performance of firms during the crisis: Evidence from the MENA region. *International Journal Business Governance and Ethics*, 7(4), 331–349.
- Gardberg, N. A., & Fombrun, C. J. (2002). The global reputation quotient project: First steps towards a cross-nationally valid measure of corporate reputation. *Corporate Reputation Review*, 4(4), 303–307.
- Hassan, H. A., & Abbas, S. K. (2019). Factors influencing the investors' intention to adopt Takaful (Islamic insurance) products. *Journal of Islamic Marketing*, 11(1), 1–13. <https://doi.org/10.1108/jima-03-2018-0064>
- Husin, M. M., & Ab Rahman, A. (2013). What drives consumers to participate into family takaful schemes? A literature review. *Journal of Islamic Marketing*.
- Husin, M., & Rahman, A. (2016). Do Muslims intend to participate in Islamic insurance? *Journal of Islamic Accounting and Business Research*, 7(1), 42–58. <https://doi.org/10.1108/jiabr-03-2014-0012>
- Hutton, J. G., Goodman, M. B., Alexander, J. B., & Genest, C. M. (2001). Reputation management: The new face of corporate public relations? *Public Relations Review*, 27(3), 247–261.
- Islam, J. U., & Rahman, Z. (2017). Awareness and willingness towards Islamic banking among Muslims: An Indian perspective. *International Journal of Islamic and Middle Eastern Finance and Management*, 10(1), 92–101. <https://doi.org/10.1108/ijefm-01-2016-0017>
- Junaidi, J. (2021). The awareness and attitude of Muslim consumer preference: The role of religiosity. *Journal of Islamic Accounting and Business Research*, 12(6), 919–938. <https://doi.org/10.1108/jiabr-08-2020-0250>
- Junaidi, J. (2022). Religiosity versus profit-loss sharing: How Islamic banks brand fidelity influence the Muslim consumers' commitment. *Journal of Islamic Accounting and Business Research*, 13(6), 960–976. <https://doi.org/10.1108/jiabr-07-2021-0188>
- Kaabachi, S., & Obeid, H. (2016). Determinants of Islamic banking adoption in Tunisia: Empirical analysis. *International Journal of Bank Marketing*, 34(7), 1069–1091. <https://doi.org/10.1108/ijbm-02-2015-0020>
- Kaakeh, A., Hassan, M. K., & Van Hemmen Almazor, S. F. (2019). Factors affecting customers' attitude towards Islamic banking in UAE. *International Journal of Emerging Markets*, 14(4), 668–688. <https://doi.org/10.1108/ijem-11-2017-0502>
- Khan, N., & Siddiqui, D. A. (2017). Islamic insurance (takaful) and factors affecting its purchase intention in Karachi Pakistan. *International Journal of Excellence Islamic Banking and Finance*, 6(2), 1–24.
- Lebdaoui, H., Chetoui, Y., & Ghechi, E. (2021). The impact of behavioral biases on investment performance: Does financial literacy matter? *International Journal of Economics and Financial Issues*, 11(3), 13–21.
- Lebdaoui, H., Chetoui, Y., & Harkat, T. (2022). Propensity towards Islamic banking among non-users: A mixed-methods analysis. *Journal of Financial Services Marketing*. <https://doi.org/10.1057/s41264-022-00178-5>

- Luo, C., Chen, Q., Zhang, Y., & Xu, Y. (2019) The effects of trust on policyholders' purchase intentions in an online insurance platform. In *Emerging markets finance and trade*, pp. 1–18. <https://doi.org/10.1080/1540496X.2019.1695122>
- Malhou, F. A., & Maimoun, A. (2020). L'expérience marocaine en finance participative : Bilan et défis à relever. *Recherches Et Applications En Finance Islamique (RAFI)*, 4(2), 197–215. <https://doi.org/10.48394/imist.prsrm/rafi-v4i2.20091>
- Maryam, S. Z., Ahmad, A., Aslam, N., & Farooq, S. (2021). Reputation and cost benefits for attitude and adoption intention among potential customers using theory of planned behavior: an empirical evidence from Pakistan. *Journal of Islamic Marketing*.
- Poan, R., Merizka, V. E., & Komalasari, F. (2021). The importance of trust factor in the intentions to purchase Islamic insurance (takaful) in Indonesia. *Journal of Islamic Marketing*.
- Raza, S. A., Ahmed, R., Ali, M., & Qureshi, M. A. (2019). Influential factors of Islamic insurance adoption: An extension of theory of planned behavior. *Journal of Islamic Marketing*, 11(6), 1497–1515. <https://doi.org/10.1108/jima-03-2019-0047>
- Rehman, M., Esichaikul, V., & Kamal, M. (2012). Factors influencing e-government adoption in Pakistan. *Transforming Government: People, Process and Policy*.
- Rogers, E. M. (2003). *Diffusion of innovations*. Free Press.
- Saaksjarvi, M. (2003). Consumer adoption of technological innovations. *European Journal of Innovation Management*, 6(2), 90–100. <https://doi.org/10.1108/14601060310475246>
- Sarfraz, A., & Khurshid Mian, A. (2021). The impact of values on consumer adoption of *takaful* with mediating role of religiosity and moderating role of confusion. *Journal of Islamic Marketing*, 13(10), 2126–2143. <https://doi.org/10.1108/jima-01-2021-0006>
- Shaikh, A. A., & Karjaluoto, H. (2015). Mobile banking adoption: A literature review. *Telematics and Informatics*, 32(1), 129–142.
- Shaikh, I. M., Bin Noordin, K., Arijo, S., Shaikh, F., & Alsharief, A. (2019). Predicting customers' adoption towards family *takaful* scheme in Pakistan using diffusion theory of innovation. *Journal of Islamic Marketing*, 11(6), 1761–1776. <https://doi.org/10.1108/jima-02-2018-0037>
- Shuhaiber, A., & Mashal, I. (2019). Understanding users' acceptance of smart homes. *Technology in Society*, 58, 101110. <https://doi.org/10.1016/j.techsoc.2019.01.003>
- Tabrani, M., Amin, M., & Nizam, A. (2018). Trust, commitment, customer intimacy and customer loyalty in Islamic banking relationships. *International Journal of Bank Marketing*, 36(5), 823–848. <https://doi.org/10.1108/ijbm-03-2017-0054>
- Venkatesh, Morris, Davis, & Davis (2003). User acceptance of information technology: Toward a unified view. *MIS Quarterly*, 27(3), 425. <https://doi.org/10.2307/30036540>
- Walsh, G., & Beatty, S. E. (2007). Customer-based corporate reputation of a service firm: Scale development and validation. *Journal of the Academy of Marketing Science*, 35(1), 127–143.
- Walsh, G., Beatty, S. E., & Holloway, B. B. (2015). Measuring client-based corporate reputation in B2B professional services: scale development and validation. *Journal of Services Marketing*.

**Hind Lebdaoui** Dr. Hind Lebdaoui is an associate professor of finance at the School of Business administration of Al Akhawayn University in Ifrane, Morocco. She received her Ph.D. in finance from Shanghai University of Finance & Economics in 2014 and joined its faculty to teach there for two years before joining AUI in 2016. Her research focuses on finance, Islamic banking, ethical finance and behavioral finance/marketing decision, financial development, economic growth. Dr. Lebdaoui has been selected as one of the top 30 most influential women in Islamic finance sector by Cambridge IFA WOMENi since 2018, and as the 2023 Womani\_Academia (2023 most influential female academician in Islamic finance & banking).

**Youssef Chetioui** Dr. Youssef Chetioui is an associate professor of Marketing & research methods at the School of Business Administration of Al Akhawayn University in Ifrane, Morocco. Dr. Chetioui has also served as a research fellow at the Colegio Universitario de Estudios Financieros (CUNEF), Complutense University in Madrid, Spain and as a visiting professor at Hertfordshire

University in Hatfield, United Kingdom. As well, he served as a co-researcher on largescale international programs for research and innovation sponsored by the European Commission. His research focuses on the use of quantitative methods to understand consumers' attitudes and purchase behavior.

**Houssam Quanbouli.** School of Business administration (SBA) of Al Akhawayn University in Ifrane, Morocco

**Mariam Ouchen** School of Business administration (SBA) of Al Akhawayn University in Ifrane, Morocco

**Ikram Nait-Ajjou.** School of Business administration (SBA) of Al Akhawayn University in Ifrane, Morocco

# From Taghrīr to Trust: A Comparative Study of Misrepresentation Challenges in Online Sales Contracts Within Islamic Law and the Jordanian Legal Framework



Fatima Kassāb Ḥmoud Al-Khālīdī

**Abstract** The rapid expansion of the digital economy, now valued at an impressive 32.2 trillion US dollars, has elevated online sales contracts to a critical position in global commerce. However, the challenges of misrepresentation (taghrīr) in these contracts, where parties engage in deceit to influence contract formation, have not been examined thoroughly. This gap limits our understanding of how Islamic law and Jordanian legal frameworks can effectively address these issues. This library-based study aims to fill this gap by investigating the strategies used to counter misrepresentation in online sales. Utilizing a mixed-method approach that combines descriptive, analytical, and comparative techniques, this study focuses on Islamic law, the complexities of Jordanian Civil Law, and the 2017 Jordanian Consumer Protection Act. The findings reveal a strong adherence to Ḥanafī principles within Jordanian Civil Law, particularly in conflating deceit (taghrīr) with excessive lesion (ghubn), a practice that overlooks the diversity in Islamic jurisprudence that allows distinguishing between these concepts. The study also highlights the effectiveness of the 2017 Jordanian Consumer Protection Law in addressing deceptive practices but points out a lack of provisions for consumer withdrawal rights, suggesting a need for legislative reform. The insights provided offer valuable guidance for policymakers and scholars in understanding how Islamic teachings and Jordanian law tackle misrepresentation in online contracts, thereby contributing to the pursuit of transparency in digital marketplaces. This study concludes with legislative recommendations and areas for future research.

**Keywords** Misrepresentation · Gharar · Taghrir · Tadlis · Khiyar · Online sales contracts · Islamic law · Jordanian legal framework · Civil code · E-commerce · Digital marketplace · Consumer protection

---

F. K. Ḥ. Al-Khālīdī (✉)

Islamic Jurisprudence and Its Foundations, Faculty of Sharīʿa, Amman Arab University, Amman, Jordan

e-mail: [f.alhmood@aau.edu.jo](mailto:f.alhmood@aau.edu.jo)

## Introduction

The rapid growth of the digital economy has transformed online sales contracts into vital platforms for global business. In recent years, the Muslim market has shown substantial spending, projected to reach 2.8 trillion US dollars by 2025. With over two billion Muslims worldwide, there is growing demand for ethical products and responsible business practices in the digital marketplace (Ahasanul Haque & Kabir, 2022; Liu et al., 2023; Tighe, 2023).

The accessibility and convenience of online purchasing substantially bolsters consumer dependence on online sales contracts (Arif, 2023; Ashraf & Iqbal, 2023). In Islamic jurisprudence, a sales contract is defined as the exchange of goods for price (Saleem, 2013). Online sales contracts mirror traditional contracts in terms of their essential elements, terms, and legal ramifications regarding contractual obligations ('Abdulaziz et al., 2022), whether conducted through conventional means or electronically (Article 2 of the Jordanian Electronic Transactions Law No. 15 of 2015).

Nevertheless, consumers engaged in online sales contracts often find themselves more vulnerable due to the digital nature of the contractual process. The absence of physical interaction makes it arduous, if not impossible, for consumers to inspect goods and services first, consequently compromising their ability to ensure the quality and safety of their purchases ('Abbās & Muqābalah, 2021). This situation engenders challenges for consumers, preventing them from fully realizing the expected benefits of the transaction and hindering their capacity to verify the legitimacy of the seller.

Crucially, the validity of consent hinges on each party's belief that the value they receive is commensurate with what they provide. If one party discerns deception, their consent is invalidated, particularly when the discrepancy in value between the item and the price arises from manipulation by the other party (Duraysī & Farhāt, 2021). Consequently, Islamic law established a set of regulations governing the sales process to maintain equilibrium between parties, uphold their satisfaction, and preclude the nullification of contracts or demands for dissolution (Al-Baṭṭūsh, 2019).

This study focuses on an array of practices and actions that collectively encompass deceit, fraud, misrepresentation, and manipulation of a commodity's rightful value. Ensuring legally sound contracts requires unblemished consent devoid of any imperfections that could compromise the underlying intent. This need becomes especially pronounced in the context of electronic contracts, where defects in well can yield profound consequences due to the varying technical aptitudes and comprehension levels of contract participants ('Abbūd, 2020).

This study specifically delves into the realm of deception or misrepresentation (Taghrīr) in this context. This involves employing strategies of manipulation and dishonesty to convey information inaccurately, with the explicit aim of inducing contractual engagement through diverse manifestations. Instances include the manipulation of product descriptions and propagation of deceptive advertisements (Khaloui, 2023), which significantly mislead consumers and often rely solely

on digital images and textual representations. Moreover, the proliferation of fabricated reviews and sponsored content distorts consumer perceptions, undermining the primary purpose of reviews to mitigate information asymmetry and uncertainty in online purchases (Al-Adwan & Yaseen, 2023). The taghrīr concept has multifaceted effects on online sales agreements, culminating in the erosion of consumer trust and subsequent shifts in brand loyalty (Saricam, 2022). Furthermore, this phenomenon disrupts equitable competition among sellers, creating an imbalanced and skewed competitive marketplace. The ethical dimensions of this issue are profound; sellers entangled in deceptive practices confront ethical quandaries, as their actions run counter to the ethical teachings of Islam (Arif, 2023; El Alaoui Amine & Ouhna, 2023). This underscores the need for a thorough reevaluation of business practices within the digital realm.

This study examines the Islamic perspective and Jordanian legal framework in addressing misrepresentation in online sales contracts. By scrutinizing how online businesses navigate and mitigate the risks of misrepresentation in both contexts, while upholding their ethical values, we aim to provide a more comprehensive understanding of how to foster transparency, trust, and sustainability in the digital marketplace.

## Study Questions

This study addresses the following research questions, which serve as a guiding framework for subsequent sections of the article:

- How do Islamic Legal Principles and the Jordanian Legal Framework jointly prohibit actionable misrepresentation (taghrīr) within the context of online sales contracts?
- What remedial measures are encompassed by Islamic Legal Principles and the Jordanian Legal Framework to mitigate the effects of ‘taghrīr’ within the realm of online sales contracts?

## Significance of the Study

The significance of this study lies in its capacity to yield valuable insights into resolving challenges associated with misrepresentation in online sales contracts. This significance can be summarized by the following key points:

- **In-Depth Exploration of the Intersection.** This study comprehensively examines the intricate intersection between Islamic law and online sales contracts, particularly within the Jordanian legal framework. The primary focus is on addressing the complexities related to misrepresentation, often referred to as ‘taghrīr.’

- **Safeguarding Consumer Rights.** This study rigorously analyzes the collaborative dynamics between the Islamic Legal Principles and Jordanian Legal Framework in concerted efforts to combat ‘taghrīr’ within the realm of online sales contracts. This analysis makes substantial contributions to safeguarding consumer rights, a fundamental pillar of responsible legal practices.
- **Promoting Ethical Business Practices.** This study delves into potential remedies embedded in both Islamic Legal Principles and Jordanian Law to effectively combat ‘taghrīr’ within the realm of online sales contracts. These remedial measures are explicitly designed to nurture an environment characterized by ethical conduct in business, which is a fundamental prerequisite for a just and equitable commercial landscape.

## Study Objectives

This study comprehensively examines the intersection between Islamic law and online sales contracts, with an emphasis on resolving the challenges associated with misrepresentation. This investigation was conducted within the framework of Jordanian legal principles, drawing inspiration and guidance from the following objectives.

- To assess how Islamic Legal Principles and the Jordanian Legal Framework collaborate to mitigate ‘taghrīr’ in online sales contracts and to assess its implications on consumer rights.
- To explore potential remedies within Islamic Legal Principles and Jordanian Law aimed at addressing ‘taghrīr’ in online sales contracts, with a primary focus on promoting equitable, transparent, and ethical business practices.

## Methodology

This study employs a mixed-method approach, integrating both descriptive and comparative methodologies, to investigate the concept of ‘taghrīr’ within the context of Islamic jurisprudence and the Jordanian legal framework.

The descriptive analytical aspect of this study aims to understand ‘taghrīr’ by collecting and analyzing various data sources. Following the guidelines outlined by Loeb (2017), this approach involves describing and identifying patterns, establishing baselines, and generating hypotheses for future research. This method is instrumental in systematically reviewing and analyzing academic literature, scholarly articles, Islamic texts, and relevant legal codes, providing a comprehensive understanding of ‘taghrīr’ and its implications in the digital economy.

Simultaneously, the study utilizes a comparative approach, as suggested by Bray et al. (2014), which involves comparing cases to understand patterns, generalize findings, refine theories, and inform policies. This approach is particularly valuable

for gaining insight and advancing knowledge in the field. In this study, a comparative method is applied to analyze and assess legal provisions related to ‘taghrīr,’ both within Islamic jurisprudence and the Jordanian legal framework. This dual approach allows for thorough exploration of the subject matter from multiple perspectives, enhancing the study’s overall depth and breadth.

By employing these methodologies, this study aims to bridge the gaps identified in the current academic discourse on ‘taghrīr,’ particularly in the realm of online sales contracts, and meaningfully contributes to the scholarly understanding of this complex issue.

## Literature Review

The concept of ‘taghrīr,’ nestled within the broader ‘gharar’ framework, has been a subject of extensive scholarly attention. Historical perspectives on ‘gharar,’ as presented in early studies like those by Al-Sourī (2007) and Wahdān (2008), have laid the groundwork for understanding its legal aspects and implications, especially concerning deception in contractual consent. Further, explorations into ‘gharar’ in contemporary financial transactions, such as Al-‘Azzi’s (2017) study, have shed light on its impact on economic stability from an Islamic economic perspective.

Diverse perspectives on ‘gharar’ and ‘taghrīr’ are evident in the works of Nehad and Khanfar (2016) and Ammār’s (2020) research, which clarify the concept through Quranic understanding and the modern Arabic context. In the realm of e-commerce, foundational works by Abū Muṣṭafá (2005) and Al-Madkhalī (2005) on the ethics of e-commerce and recent studies, such as Al-Futlawī et al. (2017) on consumer protection mechanisms, illustrate the evolution of scholarship in this area.

Despite the substantial scholarly attention paid to ‘taghrīr’ within Islamic jurisprudence, a noticeable gap persists in the comprehensive examination of online sales contracts, particularly at the intersection of Islamic jurisprudence and Jordanian legislative frameworks. This study seeks to bridge this gap by scrutinizing the intricate strategies employed to navigate ‘taghrīr’ misrepresentation in online sales contracts. This exploration extends to three key areas: Islamic jurisprudence, the complex landscape of Jordanian Civil Law, and the provisions outlined in the 2017 Consumer Protection Act. By focusing on the deceptive dimensions of ‘taghrīr’ in digital commerce, this study aims to make a significant contribution to scholarly discourse in this field.



## Definition of Taghrīr

This section explores the multifaceted nature of the ‘taghrīr,’ shedding light on its linguistic, Islamic jurisprudential, and legal definitions. Understanding these distinct aspects of the ‘taghrīr’ is crucial for navigating its implications for online sales contracts.

*Linguistic Definition of Taghrīr:* The Arabic term ‘taghrīr’ is derived from the term ‘Gharar,’ which is closely associated with concepts such as doubt, risk, uncertainty, fraud, deception, and concealed consequences (Al-Fayyūmī, 2020). Ibn Manẓūr defined ‘taghrīr’ in commerce as instances where apparent aspects deceive the buyer while concealing an unknown reality (2014, 5:4).

*Islamic Jurisprudential Definitions of Taghrīr:* Certain scholars view the term ‘gharar’ or ‘taghrīr’ to be a relatively unstable and confusing concept, given its varied definitions (Nehad & Khanfar, 2016). However, to understand the concept of ‘taghrīr’ in Islamic jurisprudence and alleviate confusion, it is essential to acknowledge its association with the broader term ‘gharar,’ which serves as the overarching framework. In this scope, ‘taghrīr’ or ‘tadlīs’ represents a specific subset.

The concept of the ‘gharar’ can be categorized into two fundamental types.

- **Existential (Wujūd) Gharar:** This type refers to situations where the subject of the sale is uncertain and equally likely to be present or absent. It carries significant risks and resembles gambling (Al-Zarqa, 2012). Most Islamic jurists tend to define gharar within this category (Al-Kāsānī, 1986; Al-Qarāfī, 1998; Al-Shirbīnī, 1994; Al-Buhūtī, 1993). Their definitions revolve around the uncertainty of a contract’s subject matter.
- **Descriptive (Waṣf) Gharar:** This form of gharar, known as ‘Taghrīr’ in the Ḥanafī School and ‘Tadlīs’ in other schools, signifies deceit or fraud. These terms are often used interchangeably (Al-Rimawī, 2016). This type involves deceit in describing the contract’s subject and creating a false impression (Al-Zarqā, 1990). For instance, Al-Ḥaṭṭāb defines gharar as ‘An action by the seller, leading the buyer to believe a commodity is flawless when, in reality, it does not meet expectations or is nonexistent’ (1992, 4:437). From contemporary Fiqh, Al-Sanhūrī describes Gharar as ‘intentionally leading the contracting party into error to compel them to enter into the contract’ (1976, 1:176). Therefore, when ‘Gharar’ is elucidated in the context of deceit or fraud, it relates to ‘taghrīr’ or ‘tadlīs.’

Within both categories, a gharar can arise through two means: actions, called ‘gharar fi’lī’ (e.g., maneuvers), and false statements, referred to as ‘gharar qawlī’ (e.g., lying) (Ibrahim et al., 2013).

*The Legal Definition:* Article (143) of the Jordanian Civil Law (JCL) states that ‘Taghrīr’ is ‘one of the contracting parties deceiving the other through verbal or factual fraudulent means, causing them to agree to something they would not have agreed to otherwise.’

In Western legal systems such as American law, taghrīr is referred to as fraud or ‘actionable misrepresentation,’ meaning a false statement inducing a party to enter a

contract (Taylor et al., 2015). Certain criteria must be applied for it to be actionable, including materiality, significant influence, and intent to deceive (Beatson et al., 2016).

This research focuses on exploring the concept of ‘taghrīr’ or ‘tadlīs,’ the second facet of gharar. Specifically, it pertains to the descriptive (waṣf) gharar, which can be interpreted as misrepresentation in its actionable form. This encompasses the use of deceptive statements or intentional omissions to mislead others, particularly in e-commerce.

### Criteria for Taghrīr Identification in Islamic Law

In the context of existential gharar, the most significant are the conditions that pertain to nature’s substantial relevance to the subject matter and the absence of contractual necessity (Al-Mawsū’ah Al-Kuwaytīyah, 2006). Figure 1 provides a comprehensive overview of the criteria for identifying the Gharar in Islamic law. By contrast, descriptive gharar, also known as Taghrīr, can be categorized into two principal classifications. These involve the concealment of defects and the execution of actions that enhance value. The crux of introducing deception within contracts hinges on the motive to participate in the agreement. This motive can manifest in two primary forms:

- A. **Engaging in Value-Increasing Actions:** In this deceptive practice, the seller shows the qualities or characteristics that present the product in a positive light even if these attributes are absent or exaggerated. The intention is to create an alluring impression that entices the buyer to proceed with the transaction by relying on the misrepresented attributes. An example cited by jurists to illustrate this deceptive tactic is withholding the water of a canal or mill used for grinding

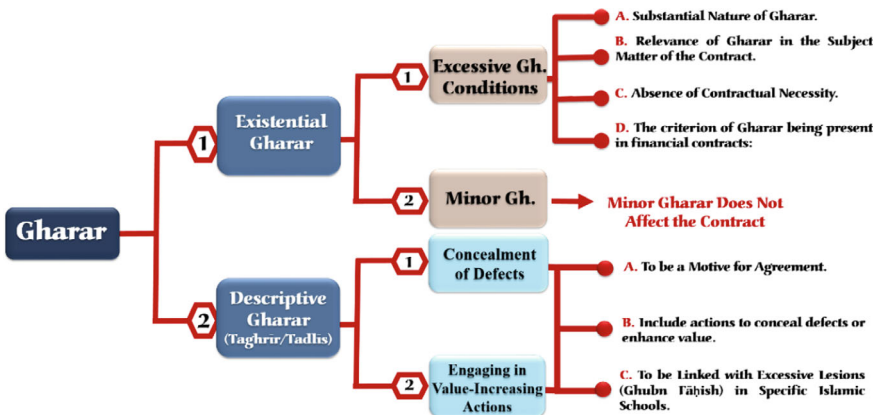


Fig. 1 Criteria for identifying gharar in islamic law

and then releasing it for sale with the aim of deceiving the buyer to believe that there is an abundance of water in the canal or mill (Al-Shirbīnī, 1994).

- B. **Concealment of Defects:** Concealment of Defects occurs when the seller deliberately withholds critical information about the product, which, if known to the buyer, would deter them from making the purchase (Farikhin et al., 2022). Ibn Nujaym, a prominent Hanafi jurist, states that the occurrence of descriptive gharar in a sale contract happens when the contract includes a descriptive defect that, if known to the buyer, would lead them to refrain from the purchase (2013, 6:38). Al-Shirbīnī supports this perspective and emphasizes that the seller has a duty to inform the buyer of any defects, even if they arise after the sale and before taking possession, as it falls under the seller's warranty (1994, 2:499).

## Criteria for Taghrīr Identification in Jordanian Civil Law

Jordanian Civil Law (JCL), aligned with Islamic jurisprudence, tackles descriptive Gharar (taghrīr). Here, the deceptive conduct affecting a contract entails including a defect description in the sale. If the buyer knew, they would abstain, implying significant deception. Concealing defects requires proving that a contract will not occur if the defect is known. Taghrīr has two facets: one party's deceptive means (objective) and its influence on the other's contract decision (subjective) (Sulaymān & Shākir, 2016).

Deception in Islamic jurisprudence can take both verbal and actual forms, aligned with this notion. Verbal deception includes providing false information about the subject of the contract, while actual deception involves presenting the subject of the contract in a better condition than it is or concealing visible defects, leading the other party to enter the contract while being unaware of its true state. Alternatively, deception may occur through concealment of a defect where the contracting party hides its reality, assuming that the other party cannot know about it (Al-Najār, 2014). Article (144) is pivotal: 'Silence implies deception if the deceived party wouldn't have agreed, knowing the hidden truth.' This underscores the transparent contract dealings under Islamic law.

Active deception involves material actions by one party against another, aiming to be misled through deceit, and presenting a false image. The objective criterion is the deceptive means of compelling contract acceptance, often through advertising. The deceptive impact, termed the subjective criterion, surpasses individual convictions. Both criteria were combined to create a deceptive effect. Subjective criteria vary based on culture, needs, and purchasing awareness (Wahdān, 2008). A crucial point is that (JCL) requires, as we will elaborate later, the coupling of taghrīr with an excessive ghubn to affect the contract, based on the standpoint of the Hanafi School.

In conclusion, both Islamic law and Jordanian law recognize the concealment of defects in taghrīr and both emphasize its effect on contract validity. Both emphasize the need for accurate information to ensure fair and transparent transactions. Islamic scholars and jurists may offer nuanced interpretations influenced by diverse schools

of thought, while legal definitions in the Jordanian legal system are firmly rooted in specific Ḥanafī provisions. Therefore, Jordanian law requires taghrīr and excessive *ghubn* to be combined to affect the contracts.

## Taghrīr Prohibition and Remedies in Islamic Legal Principles

**Prohibition of the Taghrīr in Islamic Jurisprudence:** In Islamic jurisprudence, the taghrīr, which involves deceit, is strictly prohibited (Al-Mawsū‘ah al-Fiqhīyah Al-Kuwaytīyah, 2006, p. 31: 150). Various Islamic sources support this prohibition, including the following:

- A. **Prohibition of the Taghrīr in the Noble Qur’ān:** While the exact terms of deception (*taghrīr*) or ‘fraud (*tadlīs*) are not explicitly mentioned in the Qur’ān, the prohibition of such practices is inherent in the broader principle of forbidding the unjust consumption of people’s wealth. This principle encompasses transactions, donations, and other dealings acquired through unjust means, as highlighted by Ibn Taymīyah (2001). Qur’ānic verses like ‘O you who have believed do not consume one another’s wealth unjustly unless it is a trade conducted with mutual consent’ (Q, 4:29) lay the foundation for ethical commerce. Unjust consumption involves the illegitimate acquisition of wealth, including theft, extortion, and cheating, except when wealth is exchanged through mutual agreements (Al-Shinqīfī et al., 2022). Al-Qurṭubī affirmed this verse as evidence that dishonest transactions are forbidden, including deception (2001). Surah Al-Muṭaffifīn addresses unethical trade practices, particularly manipulating measurements and weights. The Qur’ān sternly admonishes traders who provide less than what is due (Trakic, 2022), emphasizing accountability and ethics: ‘Woe to those who deal in fraud, those who, when they take a measure from others, they exact full measure. However, when they measure or weigh them, they give them less than due. Do they not think that they will be held accountable on a Day of immense consequence, a Day when all of humanity will stand before the Lord of the Worlds?’ (Qur’ān, 83: 1–6). This golden rule transcends the realm of commerce and extends to all aspects of human behavior. It promotes ethical behavior, mutual respect, and compassion for others. It encapsulates the essence of ethical behavior in Islam and calls for an equitable and compassionate approach to all human interactions.
- B. **Prohibition of Taghrīr in Prophetic Sunna:** Taghrīr is unequivocally prohibited in Prophetic Sunna, because Hadīth emphasizes honesty, transparency, and fairness in transactions. One Hadīth established that if both parties ‘spoke the truth and described defects, they would be blessed in their transactions. If they told lies or hid, then the blessings of their transaction would be lost’ (Al-Buhūtī, 1993, 3:85, Ḥadīth No: 2079). Another significant Hadīth calls for individuals to ‘not be harmed and not to harm’ (Al-Albānī, Ṣaḥīḥ Ibn Mājah 1996, 400,

Ḥadīth No. 2340), categorically prohibiting causing harm to others preemptively or responding to harm with harm (Ibn Rajab, 2004, 3: 911). Various other Ḥadīths provide valuable insights into the different forms of fraudulent practices condemned by the Prophet (PBUH).

**Taṣrīyah** (Muslim, 1984, 3:1155, Ḥadīth No. 1515): Taṣrīyah refers to tying the udder of a she-camel or sheep to accumulate milk, thus creating the false impression of a highly productive milk yield to deceive potential buyers.

**Najash** (Al-Bukhārī, 2001, 9:24, Ḥadīth No. 6963): Najash involves offering a high price (false bidding) for a commodity without any intention of buying it, with the sole aim of cheating someone else who genuinely desires to purchase it.

**Talaqī al-Rukbān** (Muslim, 1984, 3: 1157, Ḥadīth No. 1521): This Arabic term refers to intercepting goods or commodities brought by others to sell or buy before they reach the market and are priced. Al-Tirmidhī commented on this practice by saying: ‘It is a type of deception’ (Al-Tirmidhī, 1998, 2: 515, Ḥadīth No. 1221).

**Deceitful Marketing:** On one occasion, the Prophet Muhammad (PBUH) encountered a heap of grains with slight dampness. Upon inquiry, the owner revealed that rain had caused it. The Prophet disapproved of this deception and suggested that the damp part should be made visible to potential buyers. He emphasized honesty by stating, ‘He who deceives has nothing to do with me’ (Muslim, 1984 1:99, Ḥadīth No. 102). These Ḥadīths not only highlight the specific forms of prohibited fraud but also underscore the importance of conducting business with transparency and sincerity. The Prophet’s teachings served as a timeless guide for promoting ethical practices and upholding trust in commercial deals.

C. **Prohibition of Taghrīr in the Consensus of Muslim Scholars:** Muslim jurists unanimously agreed on the prohibition of taghrīr. Numerous researchers have reached this consensus. For instance, Ibn Juzayy stated, ‘Concealing defects is forbidden by consensus’ (2017, p. 175). Ibn ‘Arafah also mentioned, ‘Cheating and deception, which involve a seller presenting false qualities in their product or concealing its flaws, are prohibited by consensus’ (2014, 5:424). Al-Shawkānī also echoed this consensus (1993, 5:251).

## Taghrīr Remedies in Islamic Legal Principles

Online transactions pose increased risks due to buyers’ inability to assess product quality beforehand. Ayinla-Edun (2023) highlights the susceptibility of internet trading to manipulation and concealed defects. Given this context, delving into taghrīr remedies is crucial to safeguard buyers in contemporary trade, as outlined below.

A. **Rescinding the Contract via Khiyār Taghrīr/Al-Tadlīs (Option of Fraud):** This option is a pivotal aspect of Sharī’a law, especially concerning online contracts and e-consumer rights. This distinctive mechanism grants e-consumers

authority to recover losses arising from digital transactions, allowing them to nullify contracts or pursue redress for deceit and misrepresentation. Examining this concept deepens our understanding of its significance in safeguarding consumers and shaping the framework of online contracts in Islamic legal contexts (Al-Mamari, 2018).

**Definition:** *Khiyār Taghrīr/Al-Tadlīs* is defined as the legal right granted to a deceived party in a contract, allowing it to nullify the contract if it has been induced through deceit (Al-Zuhayrī, 2014). The term ‘*Tadlīs*’ originates from the Arabic ‘*dulsah*,’ connoting obscurity or darkness. This connection implies that sellers, through deception, obscure the buyer’s understanding and prevent a clear grasp of the commodity’s actual quality (Ibn Qudāmah, 2009).

**Legitimacy:** There is unanimous consensus among jurists that any form of deception that influences transaction prices validates the rescission option. However, certain sub-details yield varying viewpoints (Al-Mawsū‘ah Al-Fiqhīyah Al-Kuwaytīyah, 2006, 11:128). Muslim scholars have drawn upon the *hadīth al-Taṣrīyah* to substantiate *taghrīr/tadlīs*’ legitimacy. In this narrative, Prophet Muḥammad (PBUH) presented deceived buyers with two alternatives: retaining the product or returning it along with a specific quantity of dates to compensate for the milk consumed (Muslim, 1984, 3:1155, *Ḥadīth* No. 1515). This legal precedent can be reasonably extended to analogous scenarios, in which sellers embellish a product’s appearance to deceive the buyer. The option for rescission is not exclusively tied to *Taṣrīyah* itself; rather, it hinges on misleading and deceitful aspects of practice. This interpretation is upheld across various schools of thought (Ibn Abidīn, 1992, 5:44; Al-Disūqī, 1996, 3:117; Al-Nawawī, 1980, 6:12; Ibn Qudāmah, 2009, 4:102).

**Conditions for Activation:** The activation of the option within various schools of jurisprudence requires specific conditions (Khan, 2018; Rider, 2015):

- **Misrepresentation of a material act:** Misrepresentation can occur through deceptive statements, acts, or intentional silence of essential information. Materiality was assessed using the ‘reaction of the reasonable man test’ with subjective consideration in cases involving sophisticated contracting parties.
- **Intention to Deceive and Reliance:** The defrauded party must demonstrate that it would not have entered the transaction if it knew the truth. The burden of proof lies with the defrauded party, who proves that they rely on misrepresentation.
- **Suffered Injury:** The presence of misrepresentation, materiality, causation, and loss (*ḍarar*) is necessary for rescission. The extent of injury or damage depends on commercial standards such as overpaying for a product or service.

**Diverse Perspectives and Implications:** An analysis of *Khiyār Al-Tadlīs* reveals variations in approaches across jurisprudential schools that have implications for online sales contracts. While the *Shāfi‘ī* school permits rescission based solely on fraud’s presence, regardless of buyer’s financial loss (Al-Haytamī, 2017; Al-Shirbīnī, 1994), *Ḥanafī* school necessitates proof of excessive lesion (*ghubn fāhish*) or latent defect (‘*ayb khafī*’) for rescission (Ibn Nujaym, 2013). The burden of proof diverges,

with Shāfi'ī not placing it on a defrauded party for causation, whereas Ḥanbalī requires evidence of substantial harm, notably to novice buyers.

Such diverse perspectives yield varying outcomes and legal consequences for e-Commerce. Under Ḥanafī, mere fraud might not suffice to nullify online selling contracts, potentially allowing deceptive seller behavior. Conversely, Malīkī acknowledges deception's option but limits ghubn-based rescission to 'Al-Mustarsal' buyers, fully trusting sellers and transactions (Al-Ḥaṭṭāb, 1992; Al-Muāq, 1994). This could impact sellers and yield contract inconsistencies based on the buyer type.

Shāfi'ī's fraud-based rescission provides simpler recourse for deception, possibly fostering e-commerce trust. Ḥanbalī's nuanced approach, tied to harm and buyer experience, may affect buyers' legal rights (Al-Buhūṭī, 1993; Ibn Muflīḥ, 2003).

In conclusion, the diverse jurisprudential views of Khiyār Al-Tadlīs shape fraud and rescission in Online Sales Contracts. E-commerce policymakers and practitioners should understand these interpretations of equitable, transparent transactions. Understanding these approaches is essential to navigating complexities and enhancing fairness in e-commerce, thereby benefiting both buyers and sellers.

**Khiyār Al- 'Ayb (Defect Option) as Alternative:** When proof of deceit (taghrīr) is absent, the Khiyār al- 'Ayb becomes available. This Islamic option allows consumers to cancel contracts if purchased items are flawed by merchant standards (Khan, 2018).

**Defining Khiyār Al- 'Ayb (Defect Option):** 'Al- 'Ayb' signifies flaws (Ibn Manzūr, 2014, 1:633). Early Islamic texts describe Khiyār Al- 'Ayb as 'right to return due to defect' (Al-Jurjānī, 1983, 102). Modern definitions term it 'right to validate or rescind due to hidden post-contract defect' (Al-Zuḥaylī, 2014, 4:3116).

**Legitimacy:** Like option of fraud, defect option's established by legal edict without explicit contract inclusion need (Bāshā, 2017, 317), under 'customarily known treated as stipulated' principle (Al-Qarālah, 2014). This has been universally validated by jurists and is supported by various pieces of evidence. One such is the mutual consent requirement in sales, as Quranic verse 'let there be trading by mutual consent' (Q, 4:29). This requirement ensures mutual consent in sales, recognizing that no one would agree to buy a defective item (Al-Ṣalāḥīn, 2022). In addition to Sunnah's affirmation of the right to return items due to defects, a ḥadīth narrated by Al-Tirmidhī (1998) presents a scenario involving two disputing individuals: one seeks to return an item due to a defect, whereas the other argues that the buyer has benefited. In response, the Prophet orders rescission based on the presence of a defect and articulates the principle, 'The profit follows responsibility' (Al-Kharāj bi Al-Ḍamān) (1285, 2:572, Ḥadīth No. 1998). This ḥadīth has evolved into an Islamic legal maxim related to profit, based on the concept of risk sharing (Hassanpoor, 2023; Zakī, 2019).

**Criteria for the Option of Defect:** Scholars of Islamic jurisprudence have discussed several criteria in their legal treatises:

**Magnitude of the Defect:** The magnitude of a defect significantly impacts the decision between returning an item or accepting it with compensation. All major schools of Islamic jurisprudence (Ḥanafī, Mālīkī, Shāfi'ī, and Ḥanbalī) concur on the right to



rescind contracts in the case of substantial defects. The determination of a significant defect includes factors such as the loss of benefit, diminished financial value, visible damage, and adherence to trade customs (Al-Ṣalāḥīn, 2022). While Mālikī, Shāfi'ī, and some Ḥanbalī scholars excluded minor defects from consideration due to their limited impact on benefits or value (Al-Disūqī, 1996; Al-Haytamī, 2017), Ḥanafī and some Ḥanbalī scholars prioritized the harm principle over defect size, offering the option regardless of the magnitude of the defect (Al-Buhūtī, 1993; Al-Sarakhsī, 2009). This approach holds promise because it provides enhanced protection for e-consumers in e-commerce.

**Preexisting Defect Requirement:** If a defect occurs after delivery, the buyer does not have the right to exercise the option, as they have already received the purchased item in sound condition (Al-Kāsānī, 1986; Al-Ḥaṭṭāb, 1992; Al-Haytamī, 2017; Al-Buhūtī, 1982). **Defect Concealment:** A concealed defect is not readily apparent, unlike evident defects that can be discerned without the need for close inspection. All major schools agree only with hidden defect counts for buyers' options (Al-Kāsānī, 1986; Al-Muāq, 1994; Al-Haytamī, 2017; Al-Buhūtī, 1982).

However, Islamic schools differ in their impacts on Khīyār 'Al-Ayb. Ḥanafī's broad stance, which allows for defect returns, promotes trust online. The Ḥanafī approach safeguards buyers and aligns them with modern protection and Islamic principles in e-commerce.

#### B. Examining Arsh (Compensation) as a Taghrīr Remedy in Islamic Law:

**Definition:** The term 'Arsh,' as expounded by Al-Fīrūzābādī, encompasses linguistic touches such as compensation for harm, damages, and societal disputes arising from merchandise defects. It serves as a means of bridging the gap between sound and defective goods through payment (Al-Fīrūzābādī, 2005, 1:584). Islamic jurists apply 'Arsh' for compensation in two main contexts:

- First, 'Arsh' is used to address injuries when retribution is impossible. Al-Jurjānī defines 'Arsh' as 'monetary indemnity for non-murder offenses' (Al-Jurjānī, 1983, 17). This compensation, known as 'Arsh al-Jināyah,' pertains to crime (e.g., wounding).
- Second, 'Arsh' is used to compensate for sales defects. Al-Subkī terms it 'compensation for missing components through coercion' (Al-Subkī, 1983, 12:170). This is referred to as 'Arsh al-'ayb,' addressing defects (Dubyān et al., 2011, 4:179), a crucial aspect of our study.

**Legitimacy:** Providing compensation for defects, known as 'Arsh al-'ayb,' lacks explicit textual basis (Qurā'n, Hadīth). Yet, Islamic jurists unanimously deem it legitimate, supported by the overarching religious principles highlighted earlier: prohibiting aggression, injustices, and harm. Notably, the two hadiths emphasize their importance:

- Prophet Muhammad (PBUH) asserted, 'Everything belonging to a Muslim is inviolable for a Muslim; his honor, his blood, and property.' (Muslim, 1984, 4:1986, Hadīth No. 2564).



- Prophet Muhammad (PBUH) also stated, ‘The Muslim is the brother of another Muslim, and it is not permissible for a Muslim to sell his brother goods in which there is a defect, without pointing that out to him.’ (Al-Albānī, 2000, 2: 338, Hadith No. 1775).

Legal edicts in Islamic jurisprudence can be deduced from the overarching principles of the Qurā’n and Sunnah. Consequently, asserting a buyer’s right to return and claim compensation (Arsh) aligns with the contractual justice and harm prevention in Qurā’n-Sunnah. Maqasid al-Sharī’a (objectives) further reinforced Arsh’s legitimacy (Al-Ṣalāḥīn, 2021).

**The Extent of ‘Arsh’ Application:** Within Islamic jurisprudence, the practice of ‘Arsh’ has been sanctioned by scholars in the case of the option of defect (Khiyār al- ‘ayb) but not in the option of intentional deception (Khiyār ‘tadlīs’). This is because there is no specific directive from the Prophet in the Hadīth of Taṣrīyah (Ibn Qudāmah, 2009).

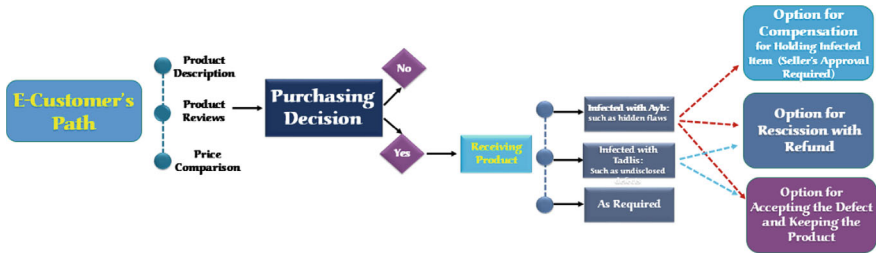
If a buyer proceeds with a purchase despite defects, then the following question arises: Are they owed compensation (defect repair)? When a defect is noticed, options emerge: the buyer accepts the item with no objection, the buyer objects, and seeks defect compensation, or the buyer seeks a full item refund. Consensus permits the first and third. However, the key question is what if the buyer keeps the item and demands defect compensation?

**The Initial Perspective (Ḥanafī, Shāfi’ī)** posits no compensation, because keeping implies satisfaction. ‘Taṣrīyah’ ḥadīth lacks compensation indication; Prophet (PBUH) would clarify it (Al-Haytamī, 2017; Al-Kāsānī, 1986). Compelling the seller to pay compensation when the buyer retains the defective item could harm the seller, while offering the buyer the option to return the goods alleviates any potential harm to them (Al-Mawsū’ah Al-Fiqhīyah, 2006, 31:91).

**The Second Viewpoint (Mālikī):** Agrees with the first opinion, except for real estate; minor defects permit retention with compensation (Al-Muāq, 1994).

**Third Stance (Ḥanbalī):** The buyer can return or retain with compensation, regardless of the seller’s stance (Al-Buhūfī, 1982).

**Underlying Cause of Dispute:** The dispute is fundamentally rooted in the intricate connection between satisfaction and the validity of a sale according to Islamic principles. In this context, the legitimacy of a sale is intrinsically tied to the satisfaction of parties involved. When a buyer is instructed to retain an item, along with compensation and the seller’s consent, potential conflicts are often averted (Murād, 2022). However, when a seller’s agreement regarding compensation is absent, the seller’s contentment becomes a pivotal factor. Scholars aligned with the Ḥanbalī school of thought emphasize that keeping defective items alongside compensation accentuates the inherent injustice of possessing substandard goods. Conversely, this perspective may inadvertently disregard the seller’s concurrence, thereby raising questions about fairness (Daw, 2022). Enforcing a scenario in which sellers must provide compensation in cases where buyers retain defective items could potentially disadvantage



**Fig. 2** Mapping taghrīr remedies—customer decision-making on product defects

sellers. Conversely, presenting buyers with the option to return merchandise not only safeguards their interests, but also maintains a delicate equilibrium within the contractual relationship (Al-Şalāhīn, 2021). This equilibrium, the cornerstone of contract theory in Islamic jurisprudence, establishes a harmonious balance among the parties involved (Fig. 2).

**Taghrīr Prohibition and Remedies in the Jordanian Legal Framework:** This section explores the incorporation of the taghrīr prohibition into Jordanian Civil Law, analyzes its remedies, delves into consumer protection measures, and uncovers legal safeguards that ensure equitable transactions and protect rights within the Jordanian legal landscape.

**Incorporating the Taghrīr Prohibition in Jordanian Civil Law (JCL):** In this section, we explore taghrīr definitions, requirements, and connections with ghubn.

**Background:** Incorporated within the Jordanian Constitution, Islam assumes a foundational legal role, particularly evident in Jordanian Civil Law (JCL), which is influenced by Islamic jurisprudence. The ‘Mejelle,’ compiled between 1869 and 1876, systematically codified the Hanafi fiqh for civil transactions. This legal framework persisted until 1976, and continues to serve as a reference point for unresolved issues. Notably, Islamic jurisprudence plays a guiding role in interpreting and applying laws in situations where legal gaps exist, as stipulated in Article 2 of the Constitution. This influence significantly shapes the terminology of fiqh within Civil Law. Various fiqh principles, such as Taghrīr, have been seamlessly integrated into the fabric of Jordanian Civil Law, as evidenced by studies conducted by Gharāyibah (2017) and Alsharu et al. (2022).

**Definition of Taghrīr:** Jordanian Civil Law addresses defects of consent in Articles 135–156, necessitating valid consent untainted by error (ghalaṭ), fraud (taghrīr/tadlīs), lesion (ghubn), and coercion (ikrāh) (‘Ali et al., 2022). It emphasizes deceit in Articles 143–150, combining ‘taghrīr’ and ‘ghubn’ as a general principle, not relying solely on either term individually (Abū al-Başal, 2022). ‘Ghubn’ signifies material price inconsistencies but does not inherently void contracts; coexistence with other consent-related flaws like deceit, duress, or exploitation is essential (Al-Rashdān, 2010). Unlike deceit, ‘ghubn’ concerns contract shortcomings, a notable divergence

in performance or price, irrespective of intent to deceive (Al-Najār, 2014), conceptually akin to ‘pricing-lesion.’ Article 143 defines deception (taghrīr) as the act of deceiving one of the contracting parties through verbal or fraudulent means, leading them to consent to something they would not agree to otherwise. This definition omits silence and third-party deception (Al-Nā‘ūq, 2012). However, it handles these separately: silence-induced deception in Article 144, and third-party fraud in Article 148. Deceptive means encompass both verbal and actual tactics. Positive deceit entails lies or misrepresentations, whereas negative deceit involves purposeful silence about impactful facts, which is evident in insurance (Al-Sourī, 2007).

**Requirements of Taghrīr:** To impact a contract, taghrīr must stem from fraudulent means comprising actual actions, verbal expressions, or intentional silence with malicious intent (Article 143). In addition, the fraudulent motive must be pivotal in contract formation, signifying the driving force behind the agreement. A practical illustration involves a restaurant owner omitting a crucial government decision regarding the relocation of a nearby transportation station, resulting in restaurant closure. This omission raises ethical concerns when selling to an uninformed investor as it constitutes deception and prevents informed decisions. This view is supported by the Court of Cassation, which affirms that not revealing the non-transferable status of the restaurant in the contract deceives the buyer with a fundamental transaction aspect (Abū al-Baṣāl, 2022). Moreover, deceit (taghrīr) gains legal recognition when coupled with a substantial lesion (ghubn) (Article 145). Notably, Article 146 underscores that ‘blatant ghubn in real estate and other contracts is beyond the scope of evaluation by experts.’ Finally, deception can originate from a contracting party, or is known to them. In the former scenario, the other party’s deception is essential (Article 143). Conversely, Article 148 mandates that the deceived party prove the other contracting party’s awareness of deception during the contract (Al-Ḥalāhsha, 2006).

These conditions are consistent with the tenets of the Ḥanafī School of Thought, which were presented in an earlier section of this study.

**Taghrīr Remedies in Jordanian Civil Law:** As digital agreements surged, online sales’ deceptive practices, such as misleading ads, impacted buyers and eroded rights. E-contract deception distorts goods and services through fraudulent screening methods (Al-Khāshnah, 2021). Subsequently, we delved into the remedies provided by the JCL to address these deceptive practices.

**Rescinding the Contract:** One obstacle that consumers face is the principle of contract binding under Jordanian law. Article 241 of the JCL stipulates that a binding contract cannot be unilaterally withdrawn, modified, or terminated by either party, except through mutual agreement, litigation, or as provided by a legal provision (Gibrīl, 2018). This article highlights permissible contract termination cases: mutual agreements, legislative provisions for consumer withdrawal without compensation, and court-ordered termination due to breach. For deception (taghrīr) and excessive lesions (ghubn), Article 145 safeguards the deceived parties’ rights to terminate the contract. If either occurs alone, it does not justify termination (Abū al-Baṣāl 2022).

In the event of contract termination through legal proceedings, the party seeking termination must provide evidence of deception and adhere to the general principle that the burden of proof lies with the plaintiff. The proof is evaluated on an individual basis, considering the awareness and simplicity of the parties, as the effects of fraudulent methods can differ according to varying individuals and circumstances (Abū Dalw, 2006).

Fraudulent methods are material occurrences that can be substantiated using any means of evidence, as long as specific facts are presented to illustrate the use of deceit and its role in motivating contract formation (Jadd Al-Haq & Al-Qudsī, 2017).

Termination due to deception (taghrīr) and excessive lesions (ghubn) nullifies a contract retroactively, erasing its existence for all parties, including third parties. The parties revert to pre-contract conditions, erasing all consequences (Article 248) (Abū Dalw, 2006).

**Khiyār ‘Al- ‘Ayb as Alternative Option:** When the deceit (taghrīr) option is unavailable, an alternative choice lies in the defect (‘ayb) option. Jordanian Civil Law addresses this aspect for sales in Articles 193–198 and covers hidden defects in Articles 512–521. These legal provisions delineate the conditions for a warranty from Ḥanafī’s perspective. Within the JCL, specific criteria have been established to determine the validity of a defect, thereby permitting utilization of this option. Essential prerequisites involve the existence of a defect prior to the formation of the contract or before the delivery of an item. Equally vital is a buyer’s lack of awareness of their presence. In addition, the defect must significantly impact the value of the item, as stipulated by the contractual arrangement. Notably, elucidative annotations accompanying this legal framework tend to disregard the distinction between minor and substantial defects. These annotations assert that a defect’s impact on an item’s value is gauged by its potential to lead to a substantial or minor reduction in price aligned with customary trade practices (Abbās & Muqābalah, 2021).

**Compensation Claims Based on Tort:** When deception (taghrīr) combined with excessive lesions (ghubn) invalidates a contract, it remains an unauthorized or damage act (Fi ‘l Dārr). The party affected by such acts can seek damage under tort (Al-Asadī, 2015). This option is available when harm results directly from the deception. The deceived party can annul the contract or seek compensation while maintaining the contractual link (Wahdān, 2008).

The key aim is to redress the harm suffered by the aggrieved party by seeking compensation to alleviate its adverse impacts. This liability in Jordanian law hinges on harm and does not require intent (Ismā’īl, 2021). Harm must be direct, stemming from the effect of the action, and certain in future. The aggrieved party must seek lawful reparations for compromised interests (Budayr, 2007). The Jordanian legal doctrine’s negligence liability rests on the result of the harm and not just culpability. Article 256 of the Jordanian Civil Code provides that ‘every injurious act shall render the person who commits it liable for damages even if he is a non-discerning person.’ The essential components of liability include action, harm and causal links (Article 256). This principle, rooted in Islamic jurisprudence maxims ‘Lā Ḍarar wa-lā Ḍirār’ (No harm or reciprocating harm) and ‘Al-Ḍarar Yuzāl’ (Harm must

be abolished), mandates compensation for harm-causing actions (Al-Mudhakkirāt Al-Īdāhīyah, 2000).

On the basis of these principles, a deceived party can pursue compensation through a negligence-based lawsuit, thereby demonstrating harm. Critiques of Jordanian Civil Law include merging deceit (*taghrīr*) and excessive detriment (*ghubn*) and not categorizing them as intentional flaws. While scholars, including the Ḥanafī School, advocate differentiation, this aligns with the exploitation theory. This theory, an independent concept, is reinforced by principles like ‘Trade by mutual agreement’ and the Prophetic adage ‘not inflicting harm or enduring harm.’ Analogous reasoning is evident in cases like ‘Najash,’ ‘Talaqī al-Rukbān,’ and ‘‘Bay’ Al-Mustarsil.’ Most jurists support coercive pricing and some allow for equitable transactions. Jurists also ban transactions due to excessive detriment (*ghubn*), particularly in endowments and Public Treasury cases. This shields financially robust entities over ordinary citizens (‘Abd Allāh, 1993; Abū Dalw, 2006; Al-‘Adwān, 2008; Al-Najār, 2014; Al-‘Umarī, 2018).

**Addressing Taghrīr in the Consumer Protection Act 2017: Remedies and Solutions:** Jordan’s Consumer Protection Act effectively combats deception (*taghrīr*) in e-commerce. It covers the entire consumer journey, from before to after the agreement. The Act’s provisions promote transparency, fairness, and accountability in e-commerce, thereby creating a secure environment for both consumers and businesses. This ensures consumer protection, and combats deceptive practices. Prior to the electronic contract, the Jordanian Consumer Protection Law prohibited misleading e-commerce advertisements. Consumers require accurate data before purchasing or understanding their obligations and rights. During the e-contract phase, unfair terms are prohibited and consumer rights are favored. Privacy protection and e-payments were also addressed. Notably, significant safeguards arose after the contract was concluded. This study concisely outlined these measures by focusing on the final stage, which is closely related to the core subject.

**Safeguarding Consumer Rights Through Hidden Defects Warranty:** When entering into purchasing agreements, whether conventional or digital, buyers expect goods to be free of defects and suitable for their intended purpose in accordance with Article (1/512) of the Jordanian Civil Law. This ensures that the products are devoid of hidden flaws and match the buyer’s contractual objectives. In digital contracts, consumers assume that their purchases align with their intentions and are free from undisclosed defects that affect their choices. Hidden defects that arise from storage or handling, except those caused by the consumer, decrease a product’s value. Specific criteria apply, including latent and substantial flaws that existed prior to the transaction and were unknown to the consumer (Al-Sarḥān, 2008). Civil Law imposes a seller’s warranty on hidden defects (*Khiyār Al- ‘Ayb*). The Jordanian Consumer Protection Code mandates that sellers commit to a warranty in sales as per the law:

- In the event of a defective product, the provider must either refund the product’s price upon request, or offer compensation if a post-consumption defect renders the product unretrievable.

- In case of a defective service, the provider offers a refund if the service has not been redeemed or if it can be revoked. The criteria for determining a defective product are specified in Article (6/A). This includes noncompliance with standards, attributes, or intended use. A flaw refers to a reduction in value that affects attributes, making them unsuitable for intended use. Consumer awareness may also affect contract and price acceptance.

**Consumer Right of Rescission:** The consumer's right to withdraw from a post-electronic contract has global legal significance owing to its unique attributes, such as exaggeration, marketing tactics, and rapid online presentation. The use of visual stimuli can result in consumer agreement without full conviction. Article 6 of the 1997 European Directive on Consumer Protection guarantees consumers the right to withdraw from electronic contracts because of the absence of physical experience, as explained by Ma'zūz (2017). However, Jordanian civil law strictly prohibits one-sided termination of valid contracts (Article 241). The Consumer Protection Law severely restricts providers' rights and arbitrarily deems their actions. Article 7 only allows for the return of defective products, and not the option of withdrawal. The current Jordanian legislation lacks consumer withdrawal rights, leaving a significant gap in protection. Given consumers' vulnerability to electronic contracts, legislators should establish withdrawal rights for these agreements.

**Upholding Consumer Litigation Rights:** Despite the abundance of legislative safeguards catering to consumers, the right to litigation has emerged as a significant protection bulwark. This specific entitlement carries considerable weight, as the law openly introduces the concept of defect options (Khiyār Al- 'Ayb) and delineates diverse measures aimed at shielding electronic consumers from deceptive practices. However, the option of deceit (taghrīr) is noteworthy because of its absence from direct articulation in Jordanian Consumer Protection Law. Aligned with civil law principles, deceptive advertising akin to fraud (taghrīr) comprises of two essential elements. First, the concrete dimension involves various strategies for deceiving and prompt agreement, such as falsehoods and concealment. Second, an abstract facet embodies the deceiver's intent to misguide and induces its counterpart into contractual commitments. Consequently, deceived consumers, especially by misleading ads ('Abbūd, 2020), can avail themselves of litigation under this right to uphold their claims, aligning with the overarching principles stipulated by the Jordanian Civil Law.

This concept is reflected in Jordanian legislation, particularly within the framework of Jordanian Consumer Protection Law, in which a specific provision outlines consumers' litigation rights (Article 3/A/6). Additionally, it is emphasized that any provision that restricts the consumer's ability to seek legal recourse or use alternative dispute resolution mechanisms, as provided for by applicable laws, is considered an arbitrary stipulation (Article 22/B/7). These provisions robustly affirm the consumer's right to legal action, regardless of whether they are engaged in electronic or conventional transactions, and enable both conventional court proceedings and alternative channels, such as arbitration. To effectively exercise this right, consumers

must provide strong evidence to support their claims against merchants. Under Jordanian consumer protection law, merchants are obligated to provide documentation to validate the contract, which is rooted in the consumer authority to obtain procurement evidence (Article 3/A/5).

Jordan's 2017 Consumer Protection Act safeguards consumer rights in the digital economy. It combines deceptive e-commerce practices, safeguards the pre-contractual phases, and protects data privacy. The Act also includes guarantees against hidden defects and boosts consumer trust. The lack of withdrawal rights for consumers in electronic contracts reveals a potential legislative gap that requires further examination. The Act grants consumer litigation rights and requires merchants to provide evidence of contractual arrangements and to protect consumers in disputes. To maximize the Act's potential, future efforts should refine provisions, especially those concerning withdrawal rights, to match digital commerce realities. The Act provides a comprehensive structure for fair and informed electronic contracts, and acknowledges the need to keep up with the digital world. However, Jordanian Consumer Law does not include the right of the buyer to cancel the contract after receiving the goods, which is a major flaw.

## Conclusion

This study provides a groundbreaking exploration of the concept of misrepresentation (*taghrīr*) within the realm of digital commerce, delving into its intersection with Islamic legal principles, Jordanian Civil Law, and the Consumer Protection Act of 2017.

Key findings from this study reveal the varied approaches of major Islamic schools in dealing with misrepresentation '*taghrīr*' challenges. The analysis of *Khiyār Taghrīr/Al-Tadlīs* (Option of Fraud) and its interpretation across various Islamic jurisprudential schools is a critical aspect, highlighting how these doctrines address fraud in online transactions. For instance, the *Shāfi'ī* school allows for contract rescission based solely on the presence of fraud, in contrast to the *Ḥanafī* school's requirement for proof of either an excessive lesion or a latent defect.

The study also scrutinizes *Khiyār Al- 'Ayb* (Defect Option), a universal right in Islamic jurisprudence that allows consumers to rescind contracts when purchased items are flawed. This right is anchored in the principle of mutual consent in sales, a core tenet of Islamic law and a prophetic tradition. The criteria set by Islamic scholars for exercising *Khiyār Al- 'Ayb*, such as the magnitude of the defect, its preexistence, and concealment, vary among Islamic schools and influence consumer protection in e-commerce.

Another vital aspect explored is '*Arsh*' (Compensation), a legal remedy for *taghrīr* that includes compensation for merchandise defects, aligning with Islamic principles such as the prohibition of harm and emphasis on mutual consent in sales. The application of '*Arsh*' varies across Islamic schools, particularly regarding compensation

when a buyer retains a defective item, reflecting the diverse legal thought within Islamic jurisprudence.

The study also compares Jordanian Civil Law's alignment with Islamic principles, especially in its treatment of deceit (*taghrīr*) and excessive lesion (*ghubn*), highlighting the need for a nuanced legal framework that accommodates diverse opinions within Islamic jurisprudence. Moreover, while the 2017 Jordanian Consumer Protection Law marks progress in combating deceptive practices, it also reveals significant gaps such as inadequate consumer withdrawal rights, indicating areas for legislative improvement.

Overall, this study provides a comprehensive examination of how Islamic jurisprudence handles fraud and defects in online sales contracts. It emphasizes the need to harmonize traditional legal principles with contemporary market dynamics, offering invaluable insights for creating robust, transparent, and fair digital marketplace practices. The study's findings underscore diverse interpretations across Islamic schools (*Ḥanafī*, *Mālikī*, *Shāfi'ī*, and *Ḥānbalī*), which significantly impact the dynamics of e-commerce and guide future legal frameworks and policies. It advocates the adoption of ethical practices in line with Islamic principles, enhancing consumer protection mechanisms and using technology for transparency in digital transactions. The recommendations for future research and legislative reform, rooted in Islamic legal thought, pave the way for a more equitable and ethically grounded digital commerce environment.

## Policy Recommendations

**Integration of Contemporary Exploitation Theory:** Businesses should adapt to evolving legal standards by aligning Jordan's legal framework with contemporary exploitation theory and Islamic law principles to prevent exploitation in online transactions.

**Recognition of Unilateral Contract Resolution Rights:** Implement and acknowledge purchasers' rights to unilaterally rescind a contract within a defined period upon commodity receipt, requiring updates on the return and refund policies.

**Transparent Marketing Strategies:** Develop strategies that emphasize transparency and honesty, including clear product descriptions and advertising in line with fairness and integrity.

**Robust Compliance Systems:** Implementing systems to monitor and ensure adherence to legal and ethical standards in all online sales activities.

**Enhancing Consumer Rights Awareness:** Consumers are actively informed of their rights in online sales contracts, particularly regarding contract rescission and redress for misrepresentation.



**Cultural and Religious Sensitivity in Operations:** Integrate sensitivity toward Islamic principles in business operations, respecting religious norms and values to build trust among Muslim consumers.

**Feedback and Review Mechanisms:** Establish mechanisms for customer feedback and regular reviews of product descriptions and sales practices to foster transparency and accountability.

**Leveraging Technology for Compliance:** Utilize AI and data analytics to monitor compliance with legal and ethical standards, flagging potential misrepresentations, or inconsistencies.

## Recommendations for Future Research

**Blockchain Technology for Transparency:** Explore the potential of blockchain technology in enhancing transparency in online sales, aligning with Islamic fairness and integrity principles. This could provide insights for businesses on how to use emerging technologies to prevent misrepresentations.

**Global Comparative Legal Analysis:** Conduct a comparative analysis of different legal systems' approaches to online misrepresentation, offering insights into best practices and potential improvements in business practices and policies.

**Efficient Dispute Resolution Mechanisms:** Investigate alternative dispute resolution mechanisms for online misrepresentation cases and suggest areas in which businesses can implement more efficient and fair processes.

**Training and Education on Ethical Practices:** Research into effective training programs that focus on ethical sales practices, understanding of legal and religious norms regarding misrepresentation, and the importance of honesty in digital transactions.

## References

- ‘Abbās, Ī., & Muqābalah, N. (2021). Niṭāq Al-Ḥimāyah Al-Madanīyah lil-Mustahlik Al-Iliktrūnī fī Al-Qānūn Al-Urdunī. *Al-Zaytoonah University of Jordan Journal for Legal Studies*, 2(1), 45–62
- ‘Abbūd, ‘A. (2020). ‘Ūyūb Al-Īrādah wā Atharuhā fī Al-‘Aqd Al- al-Iliktrūnī. *Iraqi University Journal*, 3(46), 428–438.
- ‘Abd Allāh, A. (1993). *Al-Ghubn wā Al-Taghrīr fī Al-Sharī‘a wā Al-Qānūn*, Ph.D. Thesis. University of Ez-Zitouna.
- ‘Abdulaziz, R., Kamal, I., & Mohammed, M. (2022). Law applicable to the online sales contract. *Journal of College of Law for Legal and Political Sciences*, 11(42), 235–248.

- 'Ali, J., Al-Şādiq, M., & Rāshid, Ṭ. (2022). *Al-Nazarīyah Al-'Ammah lil-Iltizām* (1st ed.). Dār Lamār.
- Abū al-Başal, 'Abd al-Nāşir. (2022). *Al-Qānūn Al-Madanī Al-Urdunī* (5th ed.). Dār al-Nafā'is.
- Abū Dalw, M. (2006). *Al-Ghubn wā Al-Istighlāl fī Niṭāq 'Ūyūb Al-Irādah Waḡan lil-Qānūn Al-Urdunī*. Al Albayt University.
- Abū Muşţafá, S. (2005). *Al-Tijārah al-Ilīkrūnīyah fī Al-Fīqh Al-Islāmī [Master Thesis]*. Islamic University of Gaza.
- Ahasanul Haque, A. K. M., & Kabir, S. M. H. (2022). E-marketing in Islamic markets. In B. A. Alserhan, V. Ramadani, J. Zeqiri, & L. P. Dana, (Eds.), *Strategic Islamic marketing. Contributions to management science, GIMAC 2020*. Springer. [https://doi.org/10.1007/978-3-030-98160-0\\_9](https://doi.org/10.1007/978-3-030-98160-0_9)
- Al-'Adwān, R. (2008). *Al-Istighlāl: Maḡnūmuhu, wā Aḡkāmhu wā Athārhu*, Ph.D. Thesis. University of Jordan.
- Al-Adwan, A. S., & Yaseen, H. (2023). Solving the product uncertainty hurdle in social commerce: The mediating role of seller uncertainty. *International Journal of Information Management Data Insights*, 3(1), 100169. <https://doi.org/10.1016/j.ijime.2023.100169>
- Al-'Azzī, H. (2017). Athr Al-Gharar fī 'Uqūd Al-Mu'āmalat. *Journal of Humanities, Algeria*, 3, 74–106.
- Al-'Umarī, M. (2018). Athr al-Ghubn Al-Mujarrad 'Alā Al-'Aqd. *Jordan Journal of Islamic Studies*, 14(3), 205–228.
- Al-Albānī, M. (1996). *Şaḡīḡ Ibn Mājah* (1st ed.). Maktabat Al-Ma'rif.
- Al-Albānī, M. (2000). *Şaḡīḡ Al-Tarḡīb wā Al-Tarḡīb* (1st ed.). Maktabat Al-Ma'rif.
- Al-Asadī, K. (2015). *Jara'im Al-Naşb wā Al-Iḡtiyāl* (1st ed.). Dār Al-Ān.
- Al-Baḡūsh, 'A. (2019). *Ta'ādul Al-Iltizāmāt bayna Al-Āqidyāin*, Ph.D. Thesis. The World Islamic Sciences and Education University.
- Al-Buhūfī, M. (1993). *Sharḡ Muntahā Al-Irādāt* (1st ed.). 'Ālam al-Kutub.
- Al-Bukhārī, M. (2001). *Saḡīḡ Al-Bukhārī* (1st ed.). Dār Ṭawq Al-Najāt.
- Al-Disūqī, M. (1996). *Ḥāşhiyat al-Disūqī 'Alā al-Sharḡ al-Kabīr* (1st ed.). Dār Al-Kutub Al-Ilmiyyah.
- Al-Fayyūmī, A. (2020). *Al-Mişbāḡ al-Munīr min Sharḡ Fayḡ al-Qadīr* (1st ed.). Dār Al-Qalam.
- Al-Firūzābādī, M. (2005). *Al-Qāmūs al-Muḡīṭ* (8th ed.). Mu'assasat Al-Risālah.
- Al-Futlawī, S., Al-Asadī, M., & Razzāq, A.-G. (2017). Wasā'il Ḥimāyat al-Mustahlik fī al-Tijārah Al-Ilīkrūnīyah fī Al-Fīqh Al-Islāmī. *Journal of Kufa Studies Center*, 44, 19–43.
- Al-Ḥalāhsha, 'Abd Al-Raḡmān. (2006). *Al-Wajīz fī Sharḡ Al-Qānūn Al-Madanī Al-Urdunī* (1st ed.). Dār Wā'il.
- Al-Ḥaṭṭāb, M. (1992). *Mawāhib al-jalīl* (3rd ed.). Dār al-Fīkr.
- Al-Haytamī, A. (2017). *Tuḡfat Al-Muḡtāj* (6th ed.). Dār Al-Kutub Al-Ilmiyyah.
- Al-Jurjānī, 'Alī. (1983). *Kitāb al-Ta'rifāt* (1st ed.). Dār al-Kutub al-'Ilmiyyah.
- Al-Kāsānī, M. (1986). *Badā'i' al-Şanā'i'* (2nd ed.). Dār Al-Kutub Al-Ilmiyyah.
- Al-Khāshnah, L. (2021). *Ḥimāyat al-Mustahlik fī Al-Ta'āqud Al-Ilīkrūnī*, Master Thesis. Yarmouk University.
- Al-Madkhalī, M. (2005). Akhlāqīyāt Al-Tijārah al-Ilīkrūnīyah fī Al-Fīqh Al-Islāmī. *Journal of Sharia and Islamic Studies (JSIS)*, 20(63), 219–288.
- Al-Mamari, S. N. (2018). *General principles of consumer protection in E-commerce trade: A comparative study between Islamic law and EU laws*, Ph.D. Thesis. University of Exeter.
- Al-Mawsū'ah Al-Fīqhīyah Al-Kuwayṭīyah. (2<sup>nd</sup> Ed.). (2006). *Kuwait Ministry of Islamic Affairs*. Kuwait: Dār Al-Salāsīl.
- Al-Muāq, M. (1994). *Al-Tāj wā Al-Iklīl* (1st ed.). Dār Al-Kutub Al-Ilmiyyah.
- Al-Mudhakkirāt Al-Īdāḡīyah lil-Qānūn al-Madanī al-Urdunī*. (2000). Bar Association.
- Al-Nā'ūq, N. (2012). *Al-Taghrīr 'Ayb min 'Ūyūb Al-Irādah fī Al-Qānūn al-Madanī Al-Urdunī wā Maşhrū' Al-Qānūn Al-Filasṭīnī*, Master Thesis. Al-Azhar University-Gaza.
- Al-Najār, Z. (2014). *Madā Kīḡayat Qawā'id Al-Taghrīr wā Al-Ghubn fī Al-Qānūn Al-Madanī li-Ḥimāyat Al-Mustahlik fī Al-'Uqūd Al-Ilīkrūnīyah*, Master Thesis. Amman Arab University.

- Al-Nawawī, Y. (1980). *Al-Majmū'* (1st ed.). Dār Al-Fikr.
- Al-Qarāfī, A. (1998). *Al-Furūq* (1st ed.). Dār al-Kutub al-'Ilmiyyah.
- Al-Qarālah, A. (2014). *Al-Qawā'id Al-Fiqhīyah*. Akādīmīyon Publishing.
- Al-Qurṭubī, M. (2001). *Tafsīr Al-Qurṭubī* (1st ed.). Mu'assasat Al-Risālah.
- Al-Rashdān, M. (n.d.). *Al-Ghubn fī al-Qānūn Al-Madanī* (1st ed.). Dār Al-Thaqāfah.
- Al-Rimawi, L. (2016). Shari'ah principles of liability for fraudulent misstatements in a prospectus. *Butterworths Journal of International Banking and Financial Law*, 11, 600–604.
- Al-Ṣalāhīn, 'A. (2021). Al-Taghayyurāt Al-Ṭāri'ah ba'd al-Qabḍ 'Alā Al-Mabī' Al-Mu'ṭb. *Kuwait International Law School Journal*, 36(9), 277–237.
- Al-Ṣalāhīn, 'A. (2022). *Dawābiṭ Al-'Ayb al-Muthbit lil-Khayār fī al-Fiqh Al-Islāmī wā al-Qānūn al-Madanī al-Urdunī*. 7(1).
- Al-Sanhūrī, 'Abd al-Razzāq. (1976). *Maṣādir al-Haqq*. Dār Al-Ma'arif.
- Al-Sarakhsī, M. (2009). *Al-Mabsūṭ* (3rd ed.). Dār Al-Kutub Al-Ilmiyyah.
- Al-Sarhān, A. (2008). *Sharḥ al-Qānūn al-Madanī al-Urdunī*. Dār Al-Thaqāfah.
- Alsharu, A. I., Alhamad, A. M., & Khwaileh, K. M. (2022). Characteristics of the sales contract in E-commerce under Jordanian legislation. Analytical study. *Journal of Law, Policy and Globalization*, 118, 15.
- Al-Shawkānī, M. (1993). *Nayl Al-Awṭār* (1st ed.). Dār Al-Ḥadīth.
- Al-Shinqīṭī et al. (2022). *Al-Mukhtaṣar fī Tafsīr Al-Qur'ān Al-Karīm* (3rd ed.). Tafsir Center for Quranic Studies.
- Al-Shirbīnī, M. (1994). *Mughnī al-Muḥtāj*. Dār Al-Kutub Al-Ilmiyyah.
- Al-Sourī, K. (2007). *Al-Taghrīr wā Atharuhu fī al-'Uqūd* (1st ed.). Dār Al-Fakir.
- Al-Subkī, 'Abd al-Wahhāb. (1983). *Takmilat Al-Majmū' Sharḥ Al-Muhadhdhab* (1st ed.). Dār Al-Fikr.
- Al-Tirmidhī, M. (1998). *Sunan Al-Tirmidhī* (1st ed.). Dār Al-Gharb Al-Islāmī.
- Al-Zarqa, M. (2012). *'Aqd Al-Bay'* (1st ed.). Dār Al-Qalam.
- Al-Zarqa, M. (1990). *Al-Fiqh Al-Islāmī fī Thawbihi al-Jadīd*. Dār Al-Fakir.
- Al-Zuhaylī, W. (2014). *Al-Fiqh Al-Islāmī wa Adillatuh* (4th ed.). Dār al-Fikr.
- Ammār, A. (2020). Prevention of Gharar in transactions: Its definition, purpose and its tolerated regulatory controls. *Journal of Scientific Research and Islamic Studies, Algeria*, 14(5), 337–366.
- Arif, Z. (2023). E-commerce in the perspective of the Qur'an and its implementation in the 4.0 era for the development of the Islamic economy in Indonesia. *Central European Management Journal*, 12(3), 1210–1220.
- Ashraf, S., & Iqbal, M. Z. (2023). The impact of E-commerce on consumer online purchase intention: An evidence from Pakistani consumers. In V. Ramadani, B. A. Alserhan, L. P. Dana, J. Zeqiri, H. Terzi, M. Bayirli, (Eds.), *Research on Islamic business concepts. GIMAC 2021*. Springer Proceedings in Business and Economics. Springer. [https://doi.org/10.1007/978-3-031-18663-9\\_12](https://doi.org/10.1007/978-3-031-18663-9_12)
- Ayinla-Edun, M. (2023). E-commerce transactions and return policy: The Islamic law options. *Journal of Contemporary Business and Islamic Finance (JCBIF)*, 3(1), 211–225.
- Bāshā, M. Q. (2017). *Murshid al-Ḥayrān*. Dār Al-Kutub Al-Ilmiyyah.
- Beatson, J., Burrows, A., & Cartwright, J. (2016). *Anson's law of contract* (30th ed.). Oxford University Press.
- Bray, M., Adamson, B., & Mason, M. (2014). *Comparative education research: Approaches and methods*. Springer.
- Budayr, A. (2007). *Al-Ta'wīd 'an Al-Ḍarar fī Al-Mas'ūliyyah Al-Taṣrīyah*, Master Thesis. Mu'tah University.
- Buhūti, M. (1982). *Kashshāf Al-Qian'a*, Beirut: Dār al-Fikr
- Ḍaw, K. (2022). Aḥkām Arch Al-'Ayb bayna Al-Fiqh Al-Islāmī wā Al-Tashrī' Al-Jazā'irī. *Journal of Research in Contracts and Business Law*, 7(4), 76–99.
- Dubyān, D., Al-Turkī, 'Abd Allāh, Ḥamīd, Ṣāliḥ, Al-'Abbūdī, M., & Al-Shaykh, Ṣāliḥ. (2011). *Al-Mu'āmalah Al-Māliyyah: Aṣḥāl Mu'āṣirah* (2nd ed.). King Fahad National Library.

- Duraysī, F., & Farhāt, H. (2021). Khuṣūṣīyat ‘Uyūb Al-Īrādah fi Al-‘Uqūd Al-Ilīktrūnīyah. *Journal of Legal and Political, Algeria*, 12(2), 610–621.
- El Alaoui Amine, M., & Ouhna, L. (2023). Islamic value and organizational ethics: A systematic literature review. In V. Ramadani, B. Alserhan, L. P. Dana, J. Zeqiri, H. Terzi, & M. Bayirli (Eds.), *Research on Islamic business concepts. GIMAC 2022*. Springer Proceedings in Business and Economics. Springer. [https://doi.org/10.1007/978-981-99-5118-5\\_20](https://doi.org/10.1007/978-981-99-5118-5_20)
- Farikhin, A., & Mulyasari, H. (2022). Gharar, fraud and dispute in Islamic business transaction an Islamic law perspectives. *International Economic and Finance Review (IEFR)*, 1(2), 40–53.
- Gharāyibah, R. (2017). Athr Al-Fiqh fi Al-Qānūn al-Madanī Al-Urdunī. *Jordan Journal of Islamic Studies*, 13(2).
- Gibrīl, A. (2018). *Faskh ‘Aqd Al-Bay’ Al-Ilīktrūnī*, Master Thesis. Middle East University.
- Hassanpoor, D. (2023). Application of Qa’ida Al-Kharaj Bal Daman (the warranty rule) in the chapters of Islamic jurisprudence and law. *International Journal of Multicultural and Multireligious Understanding*, 10(6), 93.
- Ibn ‘Arafah, M. (2014). *Al-Mukhtaṣar Al-Fiqhī* (1st ed.). Mu’assasat Al-Ḥabṭūr.
- Ibn Abidīn, M. (1992). *Ḥāshīyat Ibn ‘Ābidīn* (2nd ed.). Dār Al-Fīkr.
- Ibn Juzayy, M. (2017). *Al-Qawānīn Al-Fiqhīyah* (3rd ed.). Dār Al-Kutub Al-‘Ilmīyah.
- Ibn Manzūr, M. (2014). *Lisān al-‘Arab* (8th ed.). Dār Ṣādir.
- Ibn Muflīḥ, I. (2003). *Mubdi’ Sharḥ Al-Muqni’*. Dār ‘Ālam Al-Kutub.
- Ibn Nujaym, Z. al-Dīn. (2013). *Al-Baḥr al-Rā’iq* (2nd ed.). Dār Al-Kutub Al-Ilmīyah.
- Ibn Qudāmah, ‘Abd Allāh. (2009). *Al-Mughnī* (1st ed.). Maktabat Al-Qāhirah.
- Ibn Rajab, A. (2004). *Jami’ Al-‘Ulum wa-al-Hikam* (2nd ed.). Dār Al-Salam.
- Ibn Taymīyah, A. (2001). *Al-Qawā’id Al-Nūrānīyah* (1st ed.). Dār Ibn al-Jawzī.
- Ibrahim, S., Man, N., & Noor, A. (2013). Fraud: An Islamic perspective. In *The 5th International Conference on Financial Criminology (ICFC)*, pp. 446–457.
- Ismā’īl, ‘Alā.’ (2021). *Al-Ta’wīd ‘an Al-Ḍarar Al-Mumtāfaqim Bayna Al-Qānūn Al-Urdunī wā Al-Fiqh Al-Salāmī*, Master Thesis. Amman Arab University.
- Jadd Al-Haq, I., & Al-Qudsī, Ī. (2017). Al-Mu‘ālahjah Al-Tashrī‘īyah lil-Ghubn. *Law Journal, Al-Azhar University*, 2(2), 164–107.
- Khaloui, N. (2023). Āliyāt Ḥimāyat Al-Mustahlik min Al-I-Īlān Al-Tijārī ‘Abr Al-Intimit. *Tajseer Journal for Multidisciplinary Research and Studies*, 3(1), 106–127.
- Khan, M. A. (2018). The legal effects of unfair contracts of sale in Islamic Law. *Al-Aḏvā*, 33(49), 19–44.
- Liu, Y., Jiang, Y., Pei, Z., Xia, N., & Wang, A. (2023). Evolution of the coupling coordination between the marine economy and digital economy. *Sustainability*, 15(6), 5600.
- Loeb, S. (2017). *Descriptive analysis in education: A guide for researchers*. (Report No. NCEE 2017-4023). National Center for Education Evaluation and Regional Assistance.
- Ma’zūz, D. (2017). Ḥaqq Al-Mustahlik fi Al-‘Udūl ‘an Tanfīdh Al-‘Aqd Al-Ilīktrūnī. *Al-Ma’ārif Journal*, 22(12), 1–18.
- Murād, F. (2022). ‘Uyūb Al-Sila’. *Umma Unity Journal, Darul Uloom Waqf Deoband*, 9(18), 180–205.
- Muslim, Ḥajjāj. (1984). *Ṣaḥīḥ Muslim* (3rd ed.). Dār Iḥyā’ a Al-Turāth.
- Nehad, A., & Khanfar, A. (2016). A critical analysis of the concept of Gharar in Islamic financial contracts: Different perspective. *Journal of Economic Cooperation and Development*, 1(37), 1–24.
- Rider, B. (2015). *Research handbook on international financial crime*. Edward Elgar Publishing.
- Saleem, M. (2013). *Islamic commercial law*. John Wiley.
- Saricam, C. (2022). Analysing service quality and its relation to customer satisfaction and loyalty in sportswear retail market. *Autex Research Journal*, 22(2), 184–193.
- Sulaymān, N., & Shākir, R. (2016). Al-Taghrīr fi al-‘Uyūb. *Journal of the Faculty of Law for Legal and Political Sciences, University of Kirkuk*, 5(19), 78–82.
- Taylor, R. D., Taylor, R., & Taylor, D. (2015). *Contract law directions*. OUP Oxford.
- Tighe, D. (2023). *Global Muslim market size in 2021 and 2025*.

- Trakic, A. (2022). *Sharī'ah and common law: The challenge of harmonization*. Walter de Gruyter.
- Wahdān, R. (2008). Al-Khidā' Al-I'lānī wa Atharuhu fī Mi'yār Al-Tadlīs. *Journal of Legal and Economic Research, University of Mansoura*, 43, 202–311.
- Zakī, A. (2019). Qā'idat Al-Kharāj bi Al-Ḍamān. *Qabas Journal (A.S.J)*, 3(2), 313–333.

**Fatima Kassāb Ḥmoud Al-Khālīdī** is an associate professor of Islamic Jurisprudence at Amman Arab University, Jordan. She holds a Ph.D. in Islamic law from Jordan University. Her notable career, marked by teaching and research positions in Jordan and Saudi Arabia, underscores her commitment to the field of Islamic jurisprudence. Her works, including “International Sovereignty and Its Impact on al-Jihad Concept” (2007), and studies like ‘The Pact of ‘Umar in Islamic, Syriac, and Cairo Genizah Contexts,’ ‘Comparative Analysis of Conflict Resolution in Western and Islamic Traditions,’ and ‘A Comparative Study of Slavery in Islamic Law and South American Codes,’ showcase her expertise and contributions to Islamic law.

# Exploring the Influence of E-Trust on Virtual Organizations' Success Through Knowledge Sharing



Mohammed M. Al-Kasasbeh, Zaid A. Al Sarayrah,  
and Ahmad M. Al-Kasasbeh

**Abstract** This study aims to measure the effect of e-trust represented by (source credibility, quality of website, quality of information, and relationship with customers) on virtual organizations' success through the mediating role of knowledge sharing in virtual organizations. A quantitative method was adopted in the current study. The population of the study consisted of all employees of virtual organizations in Jordan, namely (director, deputy director, head of department, employee); As their number reached six hundred eighty-seven employees in fifteen virtual organizations, a questionnaire was developed as a main tool for data collection. A proportional stratified random sampling was used, and two hundred forty-six questionnaires were distributed. The study indicated that there is an effect of e-trust in its elements (source credibility, quality of website, quality of information, and relationship with customers) on the virtual organizations' success, there is an effect of e-trust in its elements (source credibility, quality of website, quality of information, and relationship with customers) on knowledge sharing, there is an effect of knowledge sharing on the virtual organizations' success, and there is an effect of e-trust in its elements (source credibility, quality of website, quality of information, and relationship with customers) on the virtual organizations' success through knowledge sharing at virtual organizations in Jordan. It was concluded that the impact of e-trust on the success of virtual organizations through knowledge sharing is an indication that e-trust has an ability to influence, along with knowledge sharing, the success of virtual organizations. Therefore, to be effective in today's increasing and rapid changes, innovation is the first option for sustaining competitiveness and growth, organizations essentially should become smart to meet the changing market requirements and growing customer needs.

---

M. M. Al-Kasasbeh (✉)  
Sharjah Police Science Academy, Sharjah, UAE  
e-mail: [malkasasbeh@psa.ac.ae](mailto:malkasasbeh@psa.ac.ae)

Z. A. Al Sarayrah  
Head of the Institutional Performance Development Department, The National Resources Investment and Development Corporation, Amman, Jordan

A. M. Al-Kasasbeh  
Directorate of Professional Development Policies, Ministry of Education, Amman, Jordan

**Keywords** E-trust · Virtual organizations' success · Knowledge sharing · Jordan

## Introduction

The increase in population, the limited absorptive capacity of traditional organizations, and the desire to reduce expenses in work make virtual markets achieve a strong jump in the volume of business interactions globally until it will reach (5.8) trillion by (2024) compared to (3.1) trillion in 2018 (Business Insider, 2021).

Virtual organizations (VOs), as a result of their dependence on digitization processes, increase the risks they face due to the multiplicity of connected devices, the increase in the complexity of electronic attacks, and integration with the Internet of Things (Kumar et al., 2022), and the importance of maintaining the cyber security of the sites from hacking and vandalism.

Trust is considered the basic communication in the field of success of commercial activities, traditional organizations face a long path to deepen trust with their employees and customers, once this trust is built, the organization has gained an important competitive advantage that is difficult to imitate, the life cycle of organizations differed in the virtual environment, as well as in the context of the virtual project; The legal and material restrictions have taken on other elements, making it more difficult to gain trust.

Most of the time, it is difficult to meet directly with the management of virtual organizations, employees, and customers, also it is very difficult to build trust if there is no good impression from the beginning. For partners and customers, trust is a substitute for cases of certainty. But how can VOS manage trust with their partners and customers? The main role could be knowledge sharing (KS) to raise the level of employees and customers to enhance electronic trust (E-Trust) on the one hand, and the success of VO on the other hand.

One of the most important challenges facing virtual leadership is the difference in the cultures of employees, and there are a set of points that pose challenges to virtual leadership, which are poor social communication, building trust, difficulties in communication, cultural diversity, and the complexity of the process of exchanging data and information (Kerwin, 2018).

The problem of the study lies in the success of VOs in Jordan, which is one of the necessary outcomes that senior management seeks to achieve, and it is one of the vital matters for the organization. In addition, the success of VOs includes achieving the goals of the organization that it seeks in the long term. Moreover, the problem of the study can be formulated in the following questions:

- What is the effect of e-trust on the success of VOs?
- What is the effect of e-trust on KS?
- What is the effect of KS on the success of VOs?
- What is the effect of e-trust on the success of VOs through the mediating role of KS?

The importance of the scientific study arises from its contribution to building the theoretical framework of the relationship between the variables of the study. In addition, the study sheds light on new management trends to stimulate the interest of researchers in these topics in particular.

The importance of the practical study emerges by drawing the attention of policymakers at virtual organizations in Jordan to the impact of e-trust on the success of VOs through the mediating role of KS.

Therefore, the study aims to achieve the following objectives:

- Identify the effect of e-trust represented by (the credibility of the source, quality of information, quality of the website, and relationship with customers) on the success of VOs.
- Identifying the effect of e-trust represented by (perceived source credibility, information quality, website quality, and relationship with customers) on KS.
- Identify the effect of KS on the success of VOs.
- Identify the effect of e-trust represented by (the credibility of the source, quality of information, quality of the website, and relationship with customers) on the success of VOs through KS as a mediating variable.

## Literature Review

### *E-trust*

E-trust has emerged as a key research theme in information systems (AL-faouri & AL-kasasbeh, 2011). Based on the technological developments and knowledge explosion, in addition to the multiplicity of websites that have appeared to provide various services; the term e-trust appeared to express the trust between a website and its users.

Elmetwaly et al. (2020) define e-trust as the environment that guarantees proof of the identity of individuals in electronic fields while ensuring the integrity of data and documents sent through electronic exchange, preserving the security of exchanged and stored information, and devising a means of legal proof of electronic operations, in order to complete the linking process to the electronic document and the individual who made it.

E-trust has a set of elements, namely (source credibility, quality of website, quality of information, and relationship with customers), which can be explained as follows.

### *Source Credibility*

Source credibility means the process of convincing the customer of the truth of the services provided through the website (Dakrouri et al., 2018).



Elmetwaly et al. (2020) consider the credibility of the source as the electronic skill that is based on qualifications, experience, value, transactions, and the method of payment and delivery of the services and products implemented by the website.

### ***Quality of Website***

Elmetwaly et al. (2020) indicated that the quality of the website consists of the quality of the virtual side (Interface), which is formed through the first impression of the followers and the beneficiary audience of the website, as the website reflects the purpose for which it was founded, quality of texts and images, and ease of use.

### ***Quality of Information***

Alfiani et al. (2021) indicated that the quality of information is related to the measures of the data and information, such as accuracy, comprehensiveness, brevity, relevance, and appropriateness to the topic, and that it be understandable, up-to-date, meaningful, and comparable.

### ***Relationship with Customers***

Relationship with customers includes the approach related to managing the organization's interaction with current and future customers, which is based on analyzing customer data with the organization in order to build the best business relationships, work to maintain customers, to achieve growth in sales (Elmetwaly et al., 2020).

Customer relationship means all the tools and techniques to improve and facilitate the organization's sales, support, and interactions with customers and business partners throughout the organization (Al-Manbawi & Allam, 2016).

### ***Virtual Organizations Success***

Organizations strive to achieve success under the pressure of the profound economic, social, and political transformations taking place in the global environment (Rahal & AL-Kasasbeh, 2021).

Choudhary and Mishra (2021) define a virtual organization as an organization that does not have a material basis and consists of management and employees, and each one of them works in his place, as it does not need to gather employees in one place, and is free from hierarchy in work, communication takes place between

management and employees by e-mail or any other electronic communication tool via the Internet.

Bartosz (2020) also defines the virtual organization as the process of separation between work and geographical location, where work is practiced through information technology and linking working individuals, suppliers, and customers to electronic networks.

Maslakov (2021) indicated that the success of the virtual organization means the level of performance in it, the level of customer satisfaction, and is related to the creative and innovative capabilities of workers through their ability to create compatibility between the internal resources and the external environment of the virtual organization.

Also, the success of the virtual organization is related to the virtual leadership's understanding of the goal of the virtual organization, and the nature of the business environment that it pursues, with the process of anticipating events and confronting any problem that may occur, in order to compete in the labor market and achieve the desired results (Andris et al., 2021).

### ***Knowledge Sharing***

Familiarity with knowledge based on knowledge expansion has become difficult for a specific individual or even a specific group, and accordingly, new concepts have emerged to facilitate the process of dealing with knowledge (Zheng, 2017), including the concept of KS, therefore, Osupile and Makambe (2021) define KS as a process of encouragement workers actively influence with the aim of developing decisions affecting their jobs. In the literature, it is generally accepted that KS is the single most important factor in firm performance (Al-faouri et al., 2011).

KS means the systematic and organized process of the creative use of knowledge through its circulation and dissemination so that it is owned by all employees in the organization (Eder & Moamen, 2018). It was also noted that they are groups of individuals who have common interests, have the ability to learn from each other, and share knowledge on various topics through interaction between them and sources of knowledge (Fikri et al., 2021).

## **Theoretical Rooting and Hypotheses Development**

### ***Relationship Between E-trust and VOs***

The nature of dealing with virtual organizations of any kind requires trust. This is due to the risks that individuals may face during this transaction, such as follows: infiltration and penetration crimes, in addition to that, the absence of a direct meeting

between the two parties to the transaction (the organization and the customers) requires the existence of trust that guarantees the success of the transaction (Bin Al-Turki, 2019).

Trust is considered as the key to virtual transactions in line with the requirements of development and progress, because of the direct and strong impact of e-trust in the success of any new strategies it adopts to perform its functions and business. The presence of an appropriate organizational culture gives organizations a high ability to deal with variables correctly and appropriately, and enables it to adopt modern administrative applications in the field of virtual management of the organization (Boulsabaa, 2018).

The relationship between e-trust and VOs also lies in the fact that the virtual organization is mainly based on e-commerce and the provision of services in an electronic way. In this case, e-trust enhances the operations of the organization's success by giving customers, recipients, and providers of the product or service to guarantee their operations and services provided, and thus increase profits and customer retention.

E-trust affects the processes of teaching and e-learning in the virtual organization, and the employees' carrying out their educational activities themselves, and affects the social, commercial and educational e-communication processes. Especially with the topics, news and information that are circulated through the organization's website, and thus generate speed in completion, and provide ease for customers, and work to save cost, time and effort, and contribute to increasing communication between the various stakeholders, without psychological or personal barriers, which is reflected. It aims to attain the benefits, and profits of the VO, and directly contributes to the success of these organizations and ensuring their workflow (Dakrouri et al., 2018).

Based on the theoretical review of the relationship between e-trust and VOs the first hypothesis was formalized:

H1: There is a statistically significant effect of e-trust in its elements (source credibility, quality of website, quality of information, and relationship with customers) at a significant level ( $P \leq 0.05$ ) on the success of VOs at VOs in Jordan.

### ***The Relationship Between E-trust and KS***

The process of achieving KS in the organization faces a number of challenges and difficulties, and in order to achieve this participatory, it is necessary to increase the preparations and capabilities of the workers to share knowledge, and this is done by improving trust between them, as the working individuals must have confidence in their colleagues and transactions with each other. As well as the existence of trust in management, trust within or between organizations is translated into a good reputation for the organization, and thus becomes an essential component of the KS process,

when workers are present together in an atmosphere characterized by high confidence, the ability to transfer knowledge to other individuals becomes appropriately, correctly, and cooperatively (Khanous et al., 2019).

E-trust is also linked to KS through its ability to prepare, build, and spread a culture of knowledge and encourage its development, which enhances the organization's capabilities to preserve knowledge and identify ways to store it and the designated and appropriate places for that. Thus, contributing to the development of knowledge specialists in a more efficient, capable, and high-confidence manner. Knowledge sharing enables senior management to build the knowledge system, ability to manage activities in organizations specialized in sharing knowledge, find appropriate ways to share knowledge between the organization and the surrounding environment, and secure access to knowledge by workers and researchers in the organization without affecting the accuracy and confidentiality of data (Jader, 2021).

Based on the theoretical review of the relationship between e-trust and KS, the second hypothesis was formalized:

H2: There is a statistically significant effect of e-trust in its elements (source credibility, quality of website, quality of information, and relationship with customers) at a significant level ( $P \leq 0.05$ ) on knowledge sharing at VOs in Jordan.

### ***The Relationship Between KS and Success of VOs***

KS is one of the most important tributaries of the work of organizations of all kinds, whether it is a traditional organization or a virtual organization. However, it highlights its importance to the virtual organization as its basic asset, as the quality of decisions taken at all administrative levels in the virtual organization depends on the availability of information (Jader, 2021), in order to achieve the highest rates of efficiency and innovation; Providing, storing, and benefiting from knowledge generates value through sharing between users or experts within the virtual organization. The cycle of activating knowledge within the virtual organization's system is a link to the success of the virtual organization (Al-Habib & Mayouf, 2021).

KS represents a new type of capital based on experiences, ideas, and best practices, and it is considered intellectual capital in the new economy, which works on the basis of increasing returns, so it constitutes an infinite resource, based on the development processes of communication systems and digital technology, which worked on the abundance of information And the ease of obtaining them, and the processes of collecting, classifying and distributing them on a large scale in the virtual organization, which constitutes a knowledge base as the basis for the work of this organization from which it proceeds to success in its work (Jader, 2021).

Based on the theoretical review of the relationship between KS and the success of VO, third hypothesis was formalized:

H3: There is a statistically significant effect of KS at a significant level ( $P \leq 0.05$ ) on the success of VOs at VOs in Jordan.

### The Relationship Between E-trust, KS, and Success of VOs

Zuo and Panda (2013) developed a framework for object trust evaluation and related object trust principles to facilitate knowledge management in VOs. Ghilic-Micu et al. (2011) conducted a study to identify the role of knowledge management in the digital economy, and the role that the VO plays as a tool for the digital economy. Also study by Pournaras and Lazakidou (2008) aimed at identifying trust, and innovation in VOs.

Faizuniah (2014) indicated that all three types of trust and KS are significantly correlated to virtual team effectiveness. Nevertheless, only institutional-based trust and personality-based trust are significantly correlated to KS, and KS partially mediates the relationship between team effectiveness and these two types of trust.

Based on the theoretical review of the relationship between trust, KS, and the success of VOs fourth hypothesis was formalized:

H4: There is a statistically significant effect of e-trust in its elements (source credibility, quality of website, quality of information, and relationship with customers) at a significant level ( $P \leq 0.05$ ) on the success of VOs through KS at VOs in Jordan.

Based on the previous studies (Hayaean et al., 2021; Gerhard et al., 2020; Laurentiu et al., 2018; Dachyar & Banjarnahor, 2017; Agag & El-Masry, 2017; Saneian et al., 2015; Merkevicius, 2015; Wheelen et al., 2015; Filieri et al., 2015; Burma, 2014; Rahimnia & Hassanzadeh, 2013; Bartu & Sakalyte, 2013; Hsiao et al, 2010); the study model was built. Figure 1 shows the model of the study.

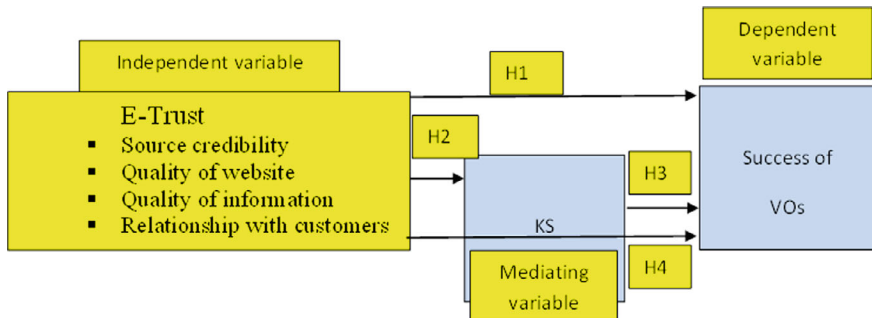


Fig. 1 Model of study

## **Study Methodology**

### ***Study Method and Type of the Study***

The quantitative method was adopted in the current study, as it is the appropriate approach to describe the impact of electronic trust on the success of VOs through the mediating role of KS at VOs in Jordan, which is commensurate with the nature of the study, in order to describe, analyze and interpret the results of the study sample responses.

The study is explanatory in terms of its purpose, and the researchers seek to determine the causal relationship between e-trust and the success of VOs in Jordan through the mediating role of KS; the time horizon of the study is a cross-sectional study.

### ***The Study Population and Sample***

The study population consists of all employees at VOs in Jordan, whose number is (687) employees in (15) VOs, based on the information of the management office of King Hussein Business Park, Jordan, for leadership and creativity.

The study questionnaire was distributed to a proportional stratified random sample of the study population, according to the statistical table, which shows that the representative and appropriate sample size of the study population is (246) individuals, and based on that, the proportional stratified sample was selected based on Sekaran and Bougie (2016) as in Table 1.

### **The Validity and Reliability of the Study Tool**

The study tool was reviewed by a number of academic reviewers in Jordanian universities, and their comments were taken into consideration.

The value of Cronbach's alpha coefficient was calculated in order to confirm the internal consistency, according to Sekaran and Bougie (2016) Cronbach's alpha coefficient is statistically acceptable if its value is greater than (0.70).

Based on Table 2, we find that the result of Cronbach's alpha for the elements of the independent variable ranged from (88.1–92.3%) and for the independent variable (e-trust) with a value of (95.3%), and for the dependent variable (the success of VOs) with a value of (95.8%), while mediating variable (KS), was with a value of (86.7%), accordingly, the questionnaire could be described as internal consistency.

**Table 1** The numbers of the study proportional stratified random sample

The size of the sample from each organization	The number of employees	The virtual organization
30	83	Jamalon
37	102	Open Sooq
29	80	Akhtoboot
6	18	Onisis500
14	40	Klarabish
8	23	Altibbi
11	30	E Marefa
2	6	Genetics
55	155	ZINC
3	8	Mind Rocker
21	58	Maysalward
15	43	Madfootcom
4	10	Gamin Glab
2	6	ITI
9	25	Arab weather
246	687	Total

**Table 2** Cronbach alpha's values for the items of the study tool

The variable or dimension	Cronbach alpha
Source credibility	0.892
Quality of information	0.881
Quality of website	0.882
Relationship with customers	0.923
E-trust	0.953
VOs	0.958
KS	0.867

## Data Analysis

The optimal situation in multiple regression is that the independent variable is strongly associated with the dependent variable and the mediating variable, as well as the mediating variable with the dependent variable, and at the same time it is not highly associated with the elements of the variables, and accordingly the following test was performed.

### **Multicollinearity Test**

To ensure that there is no multicollinearity between the elements of the independent variable, Pearson’s correlation coefficients were used in the current study.

Table 3 shows that the highest correlation between the elements of the independent variable has a value of (0.708\*\*) between the two elements (quality of website) and (quality of information), and this indicates that there is no phenomenon of high multicollinearity between the elements of the independent variable, as it was less than (80%), therefore, the sample is free from the problem of multicollinearity (Gujarati et al., 2017).

Tolerance Coefficient and Variance Inflation Factor (VIF) were measured for the elements of the independent variable to confirm this result. The availability of this condition is less than (1) and greater than (0.01) for the permissible variation and less than (5) for the inflation coefficient contrast (Hair et al., 2018). Table 4 shows that the data is free from the multicollinearity problem.

**Table 3** Pearson’s correlation matrix for the elements of the independent variable

Relationship with customers	Quality of website	Quality of information	Source credibility	Variable
			1.00	Source credibility
		1.00	0.642**	Quality of information
	1.00	0.708**	0.648**	Quality of website
1.00	0.702**	0.597**	0.674**	Relationship with customers

\*\* Significant at (0.01) level

**Table 4** The results of the multicollinearity between the elements of e-trust

Tolerance	VIF	Dimension
0.445	2.248	Source credibility
0.439	2.280	Quality of information
0.367	2.723	Quality of website
0.422	2.369	Relationship with customers



## Testing the Study Hypotheses

### Results of Testing the First Hypothesis

**H1:** There is a statistically significant effect at a significant level ( $p \leq 0.05$ ) of e-trust in its elements (source credibility, quality of website, quality of information, and relationship with customers) on the success of VOs at VOs in Jordan.

To test the first hypothesis, the multiple linear regression test was used, and its results are shown in Table 5.

The results of the coefficients in Table 5 for the H1 hypothesis inducted that the element (relationship with customers) had the greatest effect among the elements of e-trust in the dependent variable (the success of VOs), as its beta coefficient value was ( $\beta = 0.418$ ) and its ( $T$ ) calculated value ( $T = 6.621$ ), and at a significant level (Sig. = 0.00), after that it came in the second rank (quality of website) as its beta coefficient value was ( $\beta = 0.245$ ), and its ( $T$ ) calculated value ( $T = 3.605$ ), which is at a significant level (Sig. = 0.00), after that it came in the third rank (source credibility), as its beta coefficient value was ( $\beta = 0.171$ ), and its ( $T$ ) calculated value ( $T = 2.747$ ), which is at a significant level (Sig. = 0.006), after that it came in the fourth and final rank (quality of information), its beta coefficient value was ( $\beta = 0.042$ ), and its ( $T$ ) calculated value ( $T$ ) was ( $T = 0.665$ ), which is at a non-significant level (Sig. = 0.507), and (quality of information) is not significant at the level of significance ( $p \leq 0.05$ ), Therefore, we accept the alternative hypothesis which says: There is a statistically significant effect of e-trust with its elements (source credibility, quality of website, quality of information, and relationship with customers) at the level of significance ( $p \leq 0.05$ ) on the success of VOs at VOs in Jordan.

The result is implicitly consistent with the study of Al-Husseinan (2021) that there was a statistically significant relationship between the e-trust of the leader and the performance of virtual work teams. The result is also consistent with the study of

**Table 5** Multiple linear regression for testing the effect of e-trust in its elements on the success of VOs

Model		Unstandardized coefficients		Standardized coefficients	T	Sig.
		B	Std. error	Beta		
1	(Constant)	0.703	0.176		3.998	0.000
	Source credibility	0.167	0.061	0.171	2.747	0.006
	Quality of information	0.038	0.057	0.042	0.665	0.507
	Quality of website	0.234	0.065	0.245	3.605	0.000
	Relationship with customer	0.351	0.053	0.418	6.621	0.000

<sup>a</sup> Dependent variable: success of VOs

Al-Manbawi and Allam (2016) that there was a positive correlation between e-trust and the effectiveness of the virtual community on social networking sites.

### Results of Testing the Second Hypothesis

H2: There is a statistically significant effect of e-trust in its elements (source credibility, quality of website, quality of information, and relationship with customers) at a significant level ( $p \leq 0.05$ ) on KS at VOs in Jordan.

The results of the coefficients in Table 6 for H2 hypothesis indicated that the element (relationship with customers) had the greatest effect among the elements of e-trust in the dependent variable (KS), as its beta coefficient value was ( $\beta = 0.331$ ) and its ( $T$ ) calculated value ( $T = 4.660$ ), and at a significant level (Sig. = 0.00), after that it came in the second rank (source credibility) as its beta coefficient value was ( $\beta = 0.257$ ), and its ( $T$ ) calculated value ( $T = 3.671$ ), which is at a significant level (Sig. = 0.00), after that it came in the third rank (quality of website), as its beta coefficient value was ( $\beta = 0.221$ ), and its ( $T$ ) calculated value ( $T = 2.891$ ), which is at a significant level (Sig. = 0.004), after that it came in the fourth and final rank (quality of information), as its beta coefficient value was ( $\beta = - 0.017-$ ), and its ( $T$ ) calculated value ( $T = - 0.247-$ ), which is at a non-significant level (Sig. = 0.805), and (quality of information) is not significant at the level of significance ( $p \leq 0.05$ ), thus, we accept the alternative hypothesis that says: There is a statistically significant effect of e-trust with elements (source credibility, quality of website, quality of information, and relationship with customers) at the level of significance ( $p \leq 0.05$ ) on the KS at VOs in Jordan.

**Table 6** Multiple linear regression for testing the effect of e-trust in its elements on KS

Model		Unstandardized coefficients		Standardized coefficients	$T$	Sig.
		B	Std. error	Beta		
1	(Constant)	1.033	0.194		5.313	0.000
	Source credibility	0.247	0.067	0.257	3.671	0.000
	Quality of information	- 0.016-	0.063	- 0.017-	- 0.247-	0.805
	Quality of website	0.208	0.072	0.221	2.891	0.004
	Relationship with customer	0.273	0.059	0.331	4.660	0.000

<sup>a</sup> Dependent variable: KS

**Table 7** Simple linear regression for testing the effect of KS on the success of VOs

Model		Unstandardized coefficients		Standardized coefficients	T	Sig.
		B	Std. error	Beta		
1	(Constant)	0.577	0.146		3.959	0.000
	Knowledge sharing	0.832	0.038	0.817	21.699	0.000

<sup>a</sup> Dependent variable: success of VOs

**Results of Testing the Third Hypothesis**

H3: There is a statistically significant effect of KS at a significant level ( $p \leq 0.05$ ) on VOs at VOs in Jordan.

The results of coefficients in Table 7 for the H3 hypothesis indicated that the KS had an effect on the dependent variable (the success of VOs), as its beta coefficient value was ( $B = 0.817$ ) and its calculated ( $T$ ) value ( $T = 21.699$ ), and at a significant level (Sig. = 0.000), consequently, we accept the alternative hypothesis that says: There is a statistically significant effect of KS at a significant level ( $p \leq 0.05$ ) on the success of VOs in Jordan.

The result is implicitly consistent with the study of Kennan et al. (2021) by creating a knowledge-sharing climate within virtual team projects.

**Results of Testing the Fourth Hypothesis**

H4: There is a statistically significant effect of e-trust in its elements (source credibility, quality of website, quality of information, and relationship with customers) at a significant level ( $p \leq 0.05$ ) on the success of VO through KS at VOs in Jordan.

It is noted from Table 8 that the value of  $\text{Chi}^2 = (15.814)$ , which is statistically significant, as the level of significance was less than or equal to (0.05), and the value of  $\text{Chi}^2 = (33.1197)$  after dividing it by the degree of freedom (7) is equal to ( $\text{CMIN}/\text{DF} = 2.259$ ), which is less than (5) and evidence of the validity of the efficiency of the model.

Also, the value of the Goodness of Fit Index ( $\text{GFI} = 0.978$ ), which is somewhat close to the number one, as the closer it is to the correct one, this indicates the Goodness of Fit, as well as the comparative fit index ( $\text{CFI} = 0.991$ ), which is also somewhat close to The number is one, as the closer it is to the correct one, this indicates a good comparative fit, just as the nsormed fit index ( $\text{NFI} = 0.984$ ), which is also somewhat close to the number one, as the closer it comes to the correct one, this indicates good standard fit. The incremental fit index ( $\text{IFI} = 0.981$ ), which is also somewhat close to the number one, as the closer it is to the correct one, this indicates good incremental fit, and root-mean-square error of approximation ( $\text{RAMSEA} =$

**Table 8** Path analysis results of the effect of e-trust on success of VOs through KS

Model fit												
Dependent factor	Chi2	CMIN/DF	GFI	CFI	RMSEA	DF	IFI	Path	Direct effect	Indirect effect	Calculated value	P
Success of virtual organizations	15.814	2.259	0.978	0.991	0.013	7	0.984	E-trust—success of VOs	0.484	—	0.484	0.00
								E-trust—KS	0.726	—	0.726	0.00
								KS—success of VOs	0.430	—	0.430	0.00
								E-trust—KS—success of VOs	0.484	0.312	0.796	0.00
GFI	Goodness of fit index											
CFI	Comparative fit index											
NFI	Normed fit index											
IFI	Incremental fit index											
RAMSEA	Root mean square error of approximation											

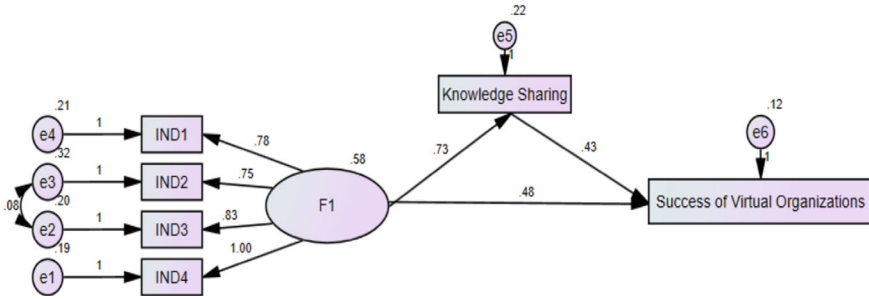


Fig. 2 Coefficients of e-trust effect on success of VOs through KS

0.013), which is somewhat close to zero, which supports that all indicators indicate good agreement with the model’s efficiency.

It is noted from Table 8 that the direct impact of the e-trust variable on KS amounted to (0.726), which is a statistically significant value, while the direct impact value of KS on the success of VOs amounted to (0.430), which is a statistically significant value, while the direct effect of the e-trust on the success of VOs amounted to (0.484), which is a statistically significant value.

While the indirect effect of the electronic trust variable on the success of VOs through KS reached (0.312), which means that KS was able to explain (31.2%) of the variation in the success of VOs as a partial mediator (VAF) (variance accounted for = 0.312) and based on the Hair et al. (2013), it is understood that the variable of KS has a role as a partial mediating variable in the relationship of the independent variable with the dependent variable, and finally, the overall normative impact of e-trust with its elements on the success of VOs with the presence of KS has become (79.6%).

Based on the above analysis, we accept the fourth alternative hypothesis that says “there is a statistically significant effect of e-trust in its elements” (source credibility, quality of website, quality of information, and relationship with customers) at a significant level ( $P \leq 0.05$ ) on the success of VOs through KS in VOs in Jordan. Figure 2 shows coefficients of the e-trust effect on success VOs through KS.

## Discussion

The study findings indicated that there is a statistically significant effect of e-trust with elements (source credibility, quality of website, quality of information, and relationship with customers) at the level of significance ( $p \leq 0.05$ ) on the success of VOs at VOs in Jordan. There is a statistically significant effect of e-trust with elements (source credibility, quality of information, quality of website, and relationship with customers) at the level of significance ( $p \leq 0.05$ ) on the KS at VOs in Jordan. But the quality of information effect isn’t significant. it could be the reason behind it that

a huge amount of information is accompanied by an almost total absence of quality controls, which puts the beneficiaries of this network in front of a real problem related to the issue of distinguishing between the various information presented in this reality, therefore, there is a need to evaluate the quality of the information in websites, and a need for solutions such as monitoring the quality of electronic information.

While the indirect effect of the e-trust on success of VOs through KS reached (0.312), a value that was able to explain (31.2%) of the variation in the success of VOs as a partial mediator, which means that the KS variable has a role as a mediating variable in the relationship of the independent variable with the dependent variable, and finally the total effect of e-trust with its elements on the success of VOs with the presence of KS has become (79.6%). Implicitly agree with the study of Faizuniah (2014) which indicated that institutional-based trust and personality-based trust are significantly related to KS, and KS partially mediates the relationship between institutional-based trust and personality-based trust and team effectiveness.

## Conclusion and Suggestions for Further Studies

After looking at the results and reviewing the study literature, it was concluded that the impact of e-trust on the success of VOs through KS is an indication that e-trust has an ability to influence, along with KS, the success of VOs.

The workings of VOs are extremely complex, and there are many factors that could affect their success. However, this study adds to the growing literature on the effect of e-trust and KS on the success of VOs. It provides empirical evidence to support the conceptual model that links e-trust with KS and VOs. Definitely, this study classifies that e-trust is associated with KS and VOs, where KS plays a partial mediation in the relationship between e-trust and the success of VOs. Therefore, to be effective in today's increasing and rapid changes, innovation is the first option for sustaining competitiveness and growth, Organizations essentially become smart to meet the changing market requirements and growing customer needs (Aonizat & AL-Kasasbeh, 2021).

VOs in Jordan are advised to display and maintain information on the website clearly and objectively about products, the stages of the procurement process, and services provided to customers, and to encourage employees to complete their virtual work by sharing their opinions in solving virtual work problems. As well as adopt the sharing of technical knowledge necessary to carry out the tasks and disseminate them through skills training and development by specialists in virtual work teams, and create the necessary systems for storing knowledge.

The success of VOs is one of the most important topics in the field of management and can be studied through several variables. Therefore, the researchers suggest several topics related to the title of the research, as complementary titles are considered, such as studying the impact of virtual leadership on smart organization through organizational agility, studying the impact of virtual work teams on competitive advantage, and studying creativity and its impact on virtual work teams. Further

future empirical studies are recommended to validate the model of examining the impact of the e-trust on the success of VOs through the KS as a mediator which represents an auspicious research path within the environment of business organizations in numerous industries.

## References

- Agag, G. M., & El-Masry, A. A. (2017). Why do consumers trust online travel websites? Drivers and outcomes of consumer trust toward online travel websites. *Journal of Travel Research*, 56(3), 347–369.
- AL-Faouri, A., & AL-Kasasbeh, M. (2011). The influence of aviation companies' perceived websites quality on E-trust: An exploratory study. *The International Journal of Aviation Technology, Engineering, and Management*, 1(1), 14–29.
- AL-Faouri, A., Dasgupta, S., & AL-Kasasbeh, M. (2011). The influence of knowledge sharing strategies on organizational excellence. In *Proceedings of the International Business Information Management Conference on Innovation and Knowledge Management: A Global Competitive Advantage (16th IBIMA)*, June 29–30, 2011, Kuala Lumpur, Malaysia.
- Alfiani, L., Lukitaningsih, A., & Maharani, B. (2021). Pengaruh Electronic Word of Mouth dan Security Terhadap buying decision Melalui Electronic Trust Sebagai Variabel Media. *Jurnal Ilmiah Manajemen Kesatuan*, 9(2), 203–210. <https://doi.org/10.37641/jimkes.v9i2.434>
- Al-Habib, H., & Mayouf, S. (2021). The effectiveness of leading virtual task forces. *The Comprehensive Interdisciplinary Electronic Journal*, 35, 1–17.
- Al-Husseinan, A. (2021). The impact of electronic leadership on the performance of virtual work teams. *Scientific Journal of Business Research*, 1(3), 10–23.
- Al-Manbawi, A., & Allam, M. (2016). The relationship between electronic trust and the effectiveness of virtual society: An empirical study on clients of social networking sites for political parties. *Business Research Journal*, 38(1), 121–151.
- Andris, A. Z., Prabhakant, S., Dharmendra, S., Arun, S., & Lorimer, S. E. (2021). Practical insights for sales force digitalization success. *Journal of Personal Selling & Sales Management*, 41(2), 87–102. <https://doi.org/10.1080/08853134.2021.1908144>
- Aonizat, M. O., & AL-Kasasbeh, M. M. (2021). Digital entrepreneurship perspective of smart organization and technological innovation: A conceptual model. *Journal of Management and Sustainability*, 11(1), 32–42. <https://doi.org/10.5539/jms.v11n1p32>
- Bartosz, T. (2020). Critical success factors for IoT implementation and how they differ for organizations with low digital maturity. *Repositório Institucional Da Católica Portuguesa*, 8(7), 15–33.
- Bartu, S. I., & Sakalyte, E. (2013). *Organizational assessment-effectiveness VS. Social transformations in contemporary society (STICS)*.
- Bin Al-Turki, Z. (2019). *The contribution of Internet technology to the management of customer relationships in virtual institutions*, Ph.D. thesis, University of Biskra.
- Boulsabaa, M. (2018). Virtual companies, their pros and cons. *Journal of Economic Sciences and Trade*, 1(2), 2–17.
- Burma, Z. (2014). New organization structures: Virtual organizations. *International Journal of Engineering and Applied Sciences*, 6(2), 18–27.
- Business Insider. (2021). <https://www.businessinsider.com>
- Choudhary, S., & Mishra, K. (2021). Understanding knowledge hiding in the context of virtual workplaces. *VINE Journal of Information and Knowledge Management Systems*, ahead-of-print(ahead-of-print). <https://doi.org/10.1108/VJIKMS-10-2020-0185>
- Dachyar, M., & Banjarnahor, L. (2017). Factors influencing purchase intention towards consumer-to-consumer e-commerce, 13(5), 946–966.

- Dakrouri, M. I., Abd al-Ghahar, M. A., & Satohi, A. M. (2018). The impact of ethics of E-sales on E-trust: An applied study on customers of E-shopping websites. *Egyptian Journal of Commercial Studies*, 42(1), 214–239.
- Eder, A., & Moamen, A. (2018). Participatory leadership and its relationship to organizational trust: Field study within a sample of employees of the company MFG L'Arbaa-Blida. *Al-Shamel Journal for Educational and Social Sciences*, 1(2), 164–179.
- Elmetwaly, M., Amin, M., Shehata, S., Elshorbagy, A., Mohamed, E., & Elbially, B. (2020). Relationship between Saudi customers' electronic-trust and electronic-loyalty. *Journal of Advanced Pharmacy Education & Research*, 10(3), 160–166.
- Faizuniah, P. J. M. C. (2014). The mediating effect of knowledge sharing on the relationship between trust and virtual team effectiveness. *Journal of Knowledge Management*, 18(1), 92–106. <https://doi.org/10.1108/JKM-09-2013-0341>
- Fikri, M. A. A., Pramono, T., Nugroho, Y. A., Novitasari, D., & Asbari, M. (2021). Leadership model in Pesantren: Managing knowledge sharing through psychological climate. *International Journal of Social and Management Studies*, 2(3), 149–160. <https://doi.org/10.5555/ijosmas.v2i3.44>
- Filieri, R., Alguezaui, S., & McLeay, F. (2015). Why do travelers trust trip advisor? Antecedents of trust towards consumer-generated media and its influence on recommendation adoption and word of mouth. *Tourism Management*, 51, 174–185. <https://doi.org/10.1016/j.tourman.2015.05.007>
- Gerhard, Sh., Stefan, H., Gumerova, G. I., & Shaimieva, E. Sh. (2020). Trust management of virtual organizations as a scientific direction of management of the digital economy: "Trust" as an indicator of management of virtual organizations. *Research Azimuth: Economics and Management*, 9(1), 30.
- Ghilic-Micu, B., Maracine, V., Stoica, M., & Simion, C. (2011). Managing knowledge in digital economy: The role of virtual organizations. In *Proceedings of the 7th European Conference on Management, Leadership and Governance: ECMLG* (p. 167). Academic Conferences Limited.
- Gujarati, D., Porter, D., & Sangeetha, G. (2017). *Basic econometrics* (5th ed.). McGraw-Hill. Gunasekar.
- Hair, J. F., Black, W. C., Babin, B. J., Anderson, R. E., & Tatham, R. L. (2018). *Multivariate data analysis* (8th ed.). Cengage Learning EMEA.
- Hair, J. F., Ringle, C. M., Sarstedt, M. (2013). Partial least squares structural equation modeling: Rigorous applications, better results and higher acceptance. *Long Range Planning*, 46, 1–12. <https://doi.org/10.1016/j.lrp.2013.01.001>
- Hayaeian, S., Hesarzadeh, R., & Abbaszadeh, M. R. (2021). The impact of knowledge management strategies on the relationship between intellectual capital and innovation: Evidence from SMEs. *Journal of Intellectual Capital*. <https://doi.org/10.1108/JIC-07-2020>
- Hsiao, K., Lin, J., Wang, X., Lu, H., & Yu, H. (2010). Antecedents and consequences of trust in online product recommendations. An empirical study in social shopping. *Online Information Review*, 34(6), 935–953.
- Jader, A. (2021). Measuring the use of social networks in sharing knowledge using social perception theory: An applied study in some Iraqi universities. *Journal of Economic and Administrative Sciences*, 27(127), 63–74.
- Kennan, M. A., Narayan, B., Luca, E., Quinn, S., & McCallum, I. (2021). Information exchange at a distance: Examining the influence of leadership on knowledge sharing in virtual teams. *Journal of the Australian Library and Information Association*, 70(2), 99–101. <https://doi.org/10.1080/24750158.2021.1920098>
- Kerwin, T. (2018). *Management of virtual organizations: Benefits and disadvantages, digital transformation—finalna ver, digital transformation new challenges and business opportunities*, 54–65.
- Khanous, H., Bakhti, I., & Shatiba, Z. (2019). Strategies for virtual enterprises, Amazon Corporation case study. *Journal of Algerian Enterprise Performance*, 8(1), 87–99.



- Kumar, P., Sharma, D., & Pandey, P. (2022). Industry 4.0 (I4.0) based virtual organization model for the coordination of sustainable textile supply chain. *American Business Review*, 25(1), 10.
- Laurentiu, P. C., Dobrescu, T., & Cotet, C. E. (2018). Organizational culture, knowledge and competences in virtual organizations. *Annals of DAAAM & Proceedings*, 29.
- Maslakov, A. V. (2021). Virtual organizations. *Менеджмент Та Підприємництво в Україні: Етапи Становлення і Проблеми Розвитку*, 3(1), 131–137.
- Merkevcicius, J. (2015). Virtual organization: Specifics of creation of personnel management system. *E+M*, 18(4), 200–210. <https://doi.org/10.15240/tul/001/2015-4-014>
- Osupile, K., & Makambe, U. (2021). The nexus between organisational culture and knowledge sharing in a government department in Botswana. *International Journal of Public Sector Management*, 34(2), 118–136. <https://doi.org/10.1108/IJPSM-06-2020-0149>
- Pourmaras, E., & Lazakidou, A. (2008). Trust and innovativeness in virtual organisations. *International Journal of Business Innovation and Research*, 2(3), 262–274. <https://doi.org/10.1504/IJBIR.2008.017521>
- Rahal, R. M., & AL-Kasasbeh, M. M. (2021). The impact of human resource flexibility on organizational success: The moderating role of organizational trust at Jordanian Private Universities. *REMAH Journal of Economic Research*, 58, Sep, 209–240.
- Rahimnia, F., & Hassanzadeh, J. (2013). The impact of website content dimension and e-trust on e-marketing effectiveness: The case of Iranian commercial saffron corporations. *Information & Management*, 50, 240–247.
- Saneian, Z., Seify, M., & Joukar, A. (2015). Designing the impact pattern of electronic service quality through perceived value and electronic trust on customers' electronic commitment (case study of customers of different branches of Mellat bank in Shiraz). *International Journal of Electronic Customer Relationship Management*, 9(4), 220–239.
- Sekaran, U., & Bougie, R. (2016). *Research methods for business: A skill building approach* (7th ed.). John Wiley & Sons Inc.
- Wheelen, T., Hunger, J., Hoffman, A., & Bomford, C. (2015). *Strategic management and business policy: Globalization, innovation, and sustainability*. Pearson.
- Zheng, T. (2017). A literature review on knowledge sharing. *Open Journal of Social Sciences*, 5(03), 51–58. <https://doi.org/10.4236/jss.2017.53006>
- Zuo, Y., & Panda, B. (2013). Composition and combination-based object trust evaluation for knowledge management in virtual organizations. *Vine*, 43(3), 296–321. <https://doi.org/10.1108/VINE-03-2012-0004>

**Mohammed M. Al-Kasasbeh** is a professor of management at the Program of Police Administration and Master Program of Quality and Excellence in Security Work and a member of the Program and Curriculum Development Unit at Sharjah Police Science Academy in the United Arab Emirates. He was a dean of Business Faculty, a dean of Student Affairs, a director of the Evening Studies Program, a vice dean of Business Faculty, and Head of the Management Department at many Universities in Jordan, and a visiting researcher at The George Washington University School of Business in Washington DC, USA. He has published more than 70 papers and articles in international journals. He is a member of the advisory editorial board, a member of the editorial review board, and a reviewer for many international journals.

**Zaid A. Al Sarayrah** received Ph.D. in Management from The World Islamic Science and Education University, Head of the Institutional Performance Development Department, The National Resources Investment and Development Corporation in Jordan, responsible for evaluating the performance of employees and departments. Affiliated with the institution by making job performance cards and comparing the performance of individuals and departments with the results and objectives approved in the institution's strategic plan, while participating in the preparation of the institution's strategic plans. He is certified in PMP.

**Ahmad M. Al-Kasasbeh** received Ph.D. in Management from University Malaysia Terengganu in Malaysia, and MBA from Mu'tah University in collaboration with Ohio University, Senior Researcher, Directorate of Professional Development Policies, Ministry of Education, Jordan. An academic in Human Resource Management, a well-experienced teacher, and an expert in quantitative analysis, and e-HRM.

# Consumer Empowerment and Privacy: The Case of Morocco



Abdelouahid Kouchih and Hanane Mataa

**Abstract** With the development of big data, the confidentiality of Internet users is at stake, leading to a lack of trust and consequently reducing consumers' willingness to make online transactions. Naturally, companies are looking for ways to reduce consumers' privacy concerns in order to regain their trust. On the other hand, governments are seeking to protect these same consumers by implementing regulations governing the collection and processing of personal data. This study constitutes a comprehensive literature review exploring big data process and privacy concerns. It provides an insightful examination of corporate responsibilities and strategies aimed at mitigating user concerns. Furthermore, the study delves into the state-level efforts, particularly in Morocco, highlighting the measures and initiatives taken to preserve the privacy of its digital citizens amidst the evolving digital landscape.

**Keywords** Big data · Privacy issues · Consumer empowerment · Privacy protection

## Introduction

Information and communication technologies (ICTs) have revolutionized the way users' personal data is collected, processed, and utilized, offering significant benefits and risks for both consumers and businesses. In the digital economy of today, consumer-generated data has emerged as a crucial marketing asset and a primary source of revenue for companies (Acquisti & Grossklags, 2005). However, as consumer information becomes a valuable commodity and a competitive advantage,

---

A. Kouchih (✉) · H. Mataa  
Faculty of Legal, Economic and Social Sciences—Casablanca Corporate Law and Management  
Laboratory, Casablanca, Morocco  
e-mail: [a.kouchih@gmail.com](mailto:a.kouchih@gmail.com)

H. Mataa  
e-mail: [hananemataa1@gmail.com](mailto:hananemataa1@gmail.com)

managing privacy concerns has become a substantial challenge and a significant barrier to the growth of e-commerce (Norberg et al., 2007).

The concerns regarding privacy and the lack of trust significantly influence consumers' interactions with online sellers. Studies by Culnan and Armstrong (1999) have shown that privacy concerns and lack of trust diminish consumers' willingness to engage in online transactions. Companies are actively exploring various approaches to mitigate these concerns and build trust. One such approach, as proposed by Smith et al. (1996), is consumer empowerment—transferring or sharing power and control over private information with consumers themselves, allowing them to manage their own data.

While the use of ICTs provides users with access to vast information, it also involves the collection of their data, resulting in mega data used for commercial purposes by companies. Consequently, users have become increasingly cautious about sharing their personal information (Dinev & Hart, 2006). To address this trust issue, companies are implementing strategies to empower consumer privacy. Additionally, in the USA, organizations like the Digital Advertising Alliance (DAA) and associations are focused on protecting digital consumers. This raises the question of whether Morocco has similar organizations or mechanisms in place to safeguard the personal data of Moroccan consumers and to what extent.

This study operates as a literature review focusing on the concept of consumer empowerment and privacy. It explores the role of big data in utilizing private data, delves into consumers' privacy concerns stemming from the use of their personal data, and presents how companies leverage the collected information while establishing strategies to empower consumer privacy and rebuild trust among Internet users. Lastly, the study examines the current state of data protection measures in Morocco, analyzing the efforts in place to safeguard Moroccan consumers in the digital realm.

## Literature Review

### *What Is Big Data?*

Big data is described as the voluminous amount of structured, semi-structured, or unstructured data that can be mined for knowledge. Compared to the traditional database management, big data management is a new information management strategy that incorporates various new types of data and data management techniques (Beyer & Laney, 2012). The process of big data analysis involves five essential steps (IHRB, 2016):

In the initial step, known as “Collection”, data is comprehensively gathered from diverse sources, aiming to accumulate as much information as possible. Once the data is collected, the process of “datafication” comes into play, where knowledge and information are transformed into quantified formats suitable for further analysis. The accumulated data is stored in standardized formats, ensuring its usability for primary,

secondary, and even recycled purposes while employing stringent security measures to safeguard the data from unauthorized access. Following this is “Processing”, which involves in-depth data analysis to uncover meaningful correlations, facilitating the generation of predictions that can be leveraged for monetization. The process may also include aggregating and de-anonymizing information to create comprehensive consumer profiles. Finally, in the last stage known as “Monetize”, the process revolves around capitalizing on the results of data processing. This can be achieved by trading the data as a raw commodity, mitigating risks, and reaping benefits.

The objective of big data management is to exploit a large amount of data in a cost-effective and innovative manner so as to enable enhanced insight, decision-making, and process automation (Gartner’s IT dictionary, 2015). As more and more firms begin to base their marketing strategy on big data, the corresponding challenges, featured by “7 V”, must be addressed.

*Volume:* With the prevalence of web analysis technologies, mobile phones, beacons, sensors, scanners, and other devices deployed in the digital and the real world, firms are now able to capture every click, text message, search query, transaction, movement, location, and more about consumers if they want. Considering the number of consumers involved, the volume of data can be massive (Wu et al., 2014).

*Variety:* Big data is intrinsically characterized by its variety, a term that encompasses the wide diversity of data structures, types, and formats. This variety stems from the multitude of data collection devices and sources used, each potentially generating data with unique characteristics (Sagiroglu & Sinanc, 2013).

*Velocity:* This simply refers to how quickly data can be processed and made available. To keep up with the rapid generation of data, systems for processing and analyzing data must possess sufficient capacity to handle the influx of data and deliver timely, actionable insights (Kaisler et al., 2013).

*Variability:* Variability describes data whose significance changes on a regular basis. This is especially true when data collection depends on language analysis. Variability differs from variety. Understanding and correctly interpreting the significance of unprocessed data are the key areas of variation (Katal et al., 2013).

*Veracity:* A cornerstone principle in computer science emphasizes the critical role of data quality in analysis. It aligns with the well-established adage of “garbage in, garbage out”, highlighting the potential for inaccurate or misleading inputs to yield erroneous or nonsensical results. In the context of big data, ensuring veracity necessitates the implementation of robust processes to prevent the accumulation of insufficient or inaccurate data within systems (Demchenko et al., 2013).

*Visualization:* This means displaying information in a visual way, in order to take advantage of the human eye in data analysis. This visualization can take several forms: 2D or 3D graphs, networks, maps, etc. The aim is to make information visually explorable and readable, so that decisions can be made (Keim et al., 2013).

*Value:* While data acquisition and storage are fundamental aspects of big data, the real value lies in extracting meaningful information from this vast database. Unlike traditional data analysis, which focuses on the intrinsic value of individual data points, the value of big data comes from discovering hidden relationships between datasets from diverse sources (LaValle et al., 2011).

Having established a comprehensive understanding of big data, including its scope, characteristics, and management challenges, the subsequent discussion will focus on the analytical processes and business advantages derived from harnessing such extensive datasets.

## Big Data Analysis and Its Business Advantages

Data analysis has become a customary and widely acknowledged practice, but its complexity and scale have taken an unprecedented turn with the emergence of big data. Unlike traditional datasets, big data sets stand out due to their vastness, diversity, and rapid generation (velocity) (Mayer-Schonberger et al., 2013). While conventional datasets often have a one-dimensional nature, big data sets encompass a wide range of information from commercial, governmental, and public sources.

The utilization of big data analysis offers numerous advantages to businesses (Miezwinski et al. 2013). By harnessing big data analysis, companies can fortify their profitability by fine-tuning pricing strategies, honing targeted marketing efforts, and efficiently managing common business hurdles such as quality control (Mundie, 2014). This strategic use of big data not only enables predictive analysis of supply and demand, empowering businesses to anticipate competitor movements and establish optimal pricing strategies, but also provides a nuanced understanding of customer behavior and purchase history (Siegel, 2013). This understanding facilitates the identification of trends and the adept planning of discount campaigns. Moreover, big data tools furnish real-time information, ensuring high-quality data for continuous feedback on implemented actions, thereby optimizing stock and delivery management in online stores (Kumar et al., 2013). Such optimization translates into faster, more cost-effective distribution, benefiting both the company and the customer.

Additionally, big data insights delve into consumer behaviors and preferences with meticulous detail, facilitating personalized product recommendations that elevate conversion rates and foster heightened customer satisfaction and brand loyalty (Xiao et al., 2014). Through precise segmentation and targeted messaging aligned with customer preferences, businesses can foster enduring customer relationships and bolster engagement. Furthermore, big data's prowess extends to identifying patterns leading to shopping cart abandonment and comprehending customer motivations, empowering businesses to swiftly implement corrective actions, such as time-sensitive discount emails (Van den Poel & Buckinx, 2019). Social media platforms serve as rich wellsprings of data for refining marketing strategies, and with real-time data collection, businesses can promptly gauge public sentiment toward their campaigns, effecting necessary adjustments with agility (Kumar et al., 2017).

As businesses increasingly harness big data analysis to enhance their operations and decision-making processes, it becomes imperative to delve into the methods employed for data collection, understanding the foundational steps that underpin the entire big data process.

## **Big Data Collection Methods**

The most critical step in the big data process, and the one that consumers are most concerned about, is the first step, data collection, explained as follows: Generally speaking, most users are somewhat familiar with terminology such as “cookies” and “cache”; however, a better understanding of the development of cookies and tracking technologies helps to understand how various online environments can work (Hawkes, 2007). Tracking technologies have been around for over a decade and have progressed with the development of the Internet, resulting in the following types of cookies:

### ***Magic Cookies***

Netscape introduced the first tracking technologies known as “magic cookies” in browsers (Randall, 1997). These early HTTP protocol technologies captured user information by placing cookies on users’ hard drives when they visited websites. As users navigated between pages, the cookies sent stored information to the website’s server. However, concerns over the stored and shared information in cookies led users to start deleting cookies from their hard drives to protect their privacy.

### ***Flash Cookies***

To counter cookie deletion, United Virtualities, a New York-based company, developed what are now known as flash cookies in 2005. These indelible cookies, first reported by Matt Marshall, come with Persistent Identification Elements (PIE), a little-known technology that prevents cookie deletion. PIE hides in a little-known part of the computer and regenerates even after a user deletes a cookie by creating a backup copy (Marshall, 2005). Flash cookies lack an expiration date, making them particularly concerning. Researchers have noted that while HTTP cookies expire at the end of a session, flash cookies do not (Sipior et al., 2011). Attempts to clear the browser cache, delete cookies from files, or even erase browsing history will not remove a flash cookie.

### ***Session Cookies***

An essential element of online account security is the privacy of session cookies. Session cookies authenticate a specific user to a web service and should be known only to the user and the web service. Any third party accessing these cookies can

easily impersonate the legitimate user. Many companies use the HTTPS protocol as a first line of defense, ensuring the privacy and integrity of HTTP communications, including session cookies (Aliyeva & Egele, 2021). Session cookies store page information without retaining memory or code information about the user on the machine, making them the “good cookies” of the Internet.

### ***Third-Party Cookies***

Third-party cookies, also known as tracking cookies, store data about site preferences and pose greater privacy risks as they track browsing habits and movements on the web. According to a Ghostery infographic (2014) titled “Know Your Elements”, there are five types of third-party trackers:

- Advertisers: trackers that deliver ads.
- Analytics: trackers that provide research/analysis to website publishers.
- Beacons: trackers that exist solely to monitor user behavior.
- Widgets: trackers that provide page functionalities (e.g., comment forms, “Like” buttons).
- Privacy: trackers that disclose data practices involved in ad delivery.

### ***Web Beacons***

While third-party cookies present a privacy risk, web beacons are a more significant threat. According to the Network Advertising Initiative (2012), “web beacons can be used for various purposes, including site traffic reporting, unique visitor counts, ad audit and reporting, and personalization”. The depth of reporting and personalization is more profound than commonly realized, as companies can identify individual habits, such as what users do on a webpage, and instantly access location, income, shopping interests, and even medical conditions (Angwin, 2010). Web beacons can also track the number of clicks on a page and even mouse movements.

Having explored the various methods used to collect big data, it is important to address the significant privacy concerns these methods raise, highlighting the need for stringent privacy safeguards in data collection practices.

## **Big Data’s Impact on Privacy**

Privacy concerns encompass the entire information flow process, including what data is collected, who collects it, why it is collected, and how it is ultimately used (Bandara et al., 2020b). A study highlights that privacy issues arise when entities



collect and use information in ways that were not initially intended or desired by consumers (Bandara et al., 2019).

The proliferation of big data has intensified privacy issues due to the large quantity and diverse methods of data collection. Big data has made large volumes and diverse types of data easily accessible to multiple parties, who can leverage advanced tools to exploit them (Martin, 2016).

Notably, many devices that collect and generate large amounts of data operate unobtrusively, reducing the dependence on direct interactions with consumers (King & Forder, 2016). Secondary uses of data have become more frequent, and third-party access to consumer data has increased. Companies frequently share data with tracking companies and sell data to data aggregators, who gather data from various sources and resell it on the market (Flyverbom et al., 2019).

These practices raise privacy concerns, as data obscurity makes it increasingly difficult for consumers to track the sources and methods of data collection. The lack of transparency raises concerns about potential abuse and unauthorized access to personal information (West, 2019).

Considering the significant privacy implications of extensive data collection, it is essential to understand how these concerns affect consumer behavior and trust, particularly, where trust is a critical factor for engagement and growth.

## Consumer Behavior and Trust

Despite the continuous growth of ICTs, establishing trust remains a fundamental challenge in this domain (Arli et al., 2018). The rise of technological advancements in online navigating or shopping, such as big data analysis and extensive data aggregation, has contributed to this issue. Building trust hinges on creating favorable conditions that foster successful transactions, a perception that consumers must have (McKnight & Chervany, 2001).

Essentially, trust can be described as a psychological state marked by the intention to accept vulnerability on the basis of positive expectations regarding the intentions or behaviors of others (Rousseau et al., 1998). It is an evolutive and dynamic process, reinforced by regular interactions. Consumers' trust is shaped by their overall perception of their willingness to rely on the benevolence, integrity, competence, and predictability of online sellers, as well as on the reliability of the technological environment (in this case, the Internet) to meet their privacy expectations.

To overcome the trust challenge, businesses must consistently strive to build and maintain a secure and reliable online environment, providing consumers with positive experiences that reinforce their confidence in making transactions (Mou et al., 2017).

In the informational stage, when consumers first visit an online platform and learn that their privacy rights are not protected adequately (e.g., unprofessional websites), they can stop engaging further with the platform. If the platform offers some significant benefits essential to consumers, they can adopt "free" and convenient strategies

that help them capitalize on such benefits while protecting their privacy. The emergence of new alternative “free” and easy-to-use tools can help secure consumers’ information privacy while allowing them to continue using online services. In other words, in using such services, consumers can act to shield their intangible privacy boundaries from invasion and regain their human agency if information privacy is deemed important to them. Moreover, consumers can strategically disclose information necessary for the transaction but withhold or falsify information they are unwilling to share (Joinson et al., 2007, Fuster, 2010, Sheehan & Hoy, 1999; Son & Kim, 2008, Poddar et al., 2009).

When consumers become platform users, they can protect their privacy by adopting a variety of methods, including deleting the previously mentioned cookies, clearing browsing history, using privacy protection software, or disclosing inaccurate or incomplete information when asked. This set of privacy-protective behaviors often goes unnoticed by firms. When consumers learn that firms violate their privacy, they can adopt a more defensive way to protect their privacy, including opting out, deactivating accounts, or switching to other secure platforms.

## **Methodology**

This review follows a structured methodology to examine the relationships between big data, privacy concerns, consumer empowerment, and regulatory safeguards within the Moroccan digital landscape. Our approach begins with extensive database searches, gathering relevant research from global and Moroccan sources. The synthesis of this research aims to provide a comprehensive understanding of the challenges, dynamics, and unique aspects of big data, while also considering the strategies employed by companies and the regulatory framework in the Moroccan context.

Additionally, this methodology serves as a preliminary case study of the existing situation in Morocco. By systematically analyzing this wealth of information, this article aims to illuminate key insights into addressing privacy concerns in the era of big data and the role of regulatory bodies like the National Commission for the Protection of Personal Data (CNDP). This research provides a crucial foundation for ongoing investigations into effective methods for mitigating consumer concerns and strengthening trust in data-driven technologies.

## Findings and Discussion

### *Empowering Privacy: Company Strategies for Consumer Data Control*

Having explored the various facets of big data, including its business benefits, privacy implications, consumer trust, and behavior, it is essential to examine the empowerment strategies implemented by companies. In this context, empowerment can be defined as sharing power with subordinates and participative management. In other words, empowerment describes the perception of power or control that an individual actor or organizational sub-unit exercises over others (Bacharach & Lawler, 1980). In this paper's context, it can be defined as the process by which individuals or entities are empowered to take control of their own privacy and personal data.

In addressing privacy concerns, transparency is widely recognized as a critical factor influencing trust in the online environment. Not only does it play a role in building trust, but it also helps alleviate privacy concerns (Krishen et al., 2017). According to Laufer and Wolfe (1977), individuals often conduct a simple risk–benefit analysis when deciding whether to share their personal information. If the perceived benefits outweigh the potential risks, consumers are more inclined to disclose their data. However, the breach of privacy has emerged as one of the most pressing ethical issues in the data-driven marketplace (Bandara et al., 2020a). Consumers willingly provide their information with the expectation that organizations will adhere to minimum ethical standards in handling their data. Hence, it becomes essential for companies to adopt transparency and clearly define their responsibilities concerning data privacy management practices (Ferrell, 2017).

Companies have a range of tools that allow them to gather, analyze, and utilize consumer data for targeted and personalized advertising. While this targeted advertising approach aims to reach specific audiences relevant to the advertisers, it also raises privacy concerns for consumers. Several researchers emphasize the critical role of “control” over personal information as a central aspect of privacy to address these concerns. In this context, ensuring that individuals have control over how their personal data is collected and used becomes paramount in safeguarding their privacy in the face of data-driven advertising practices.

This control has also been alluded to by many researchers, noting that in situations where privacy is increasingly under threat, customers are tending to demand more control, which suggests that companies that are delegating control to consumers may be able to gain a substantial competitive advantage (Olivero & Lunt, 2004). They have also found that consumers' privacy concerns are associated with their perception of control over their private information (Van Dyke et al., 2007). Clarke emphasized that privacy, in cases where consumer data is held by another party, is also the consumer's capacity to exercise a significant level of control over that data and its use (Clarke, 1999). According to Fried, “privacy is not simply the absence of information about ourselves in the minds of others; rather, it is the control we exercise over information about ourselves” (Fried, 1984). All these statements underline the importance of

individual control over personal information, which forms the core of the concept of privacy, and is lacking in literature and practice.

In this sense, it has been shown that the concept of empowering the individual to control privacy is embedded in three of the FTC's four Fair Information Practices (Van Dyke et al., 2007) (The Federal Trade Commission, 2006). These principles were suggested to the industry by the FTC in response to growing consumer concerns about privacy.

The three that incorporate the concept of enhanced individual control are:

- *Notice*, which can be seen as an act of consumer empowerment, since with the information provided in the notice, consumers can make informed decisions in their best interests.
- *Choice*, such as “opt-in” or “opt-out”, which offers consumers an option as to how their personally identifiable information is used beyond the purpose for which the information was provided, and thus in other words, empowering consumers (Wathieu et al., 2002).
- *Access*, which provides consumers with a reasonable opportunity to access the information a website has collected about them, including the possibility of reviewing that information and correcting inaccuracies. This clearly gives consumers control over their personal information, and helps prevent the collection and storage of harmful inaccurate information.

As companies implement strategies to empower consumers with greater control over their personal data, it is imperative to examine how regulatory frameworks across various regions complement or diverge from these initiatives, shaping the landscape of privacy protection on a global scale.

## **Regulatory Protection of Personal Data: A Comparison Between the USA and the European Union**

Regulatory protection encompasses the development of Internet privacy regulations by different companies, aiming to govern and oversee the utilization of consumer data (Lwin et al., 2007). This regulatory framework assumes a crucial role in achieving market balance, as it helps mitigate corporate power and empowers consumers to engage in a healthy level of interaction (Kucuk, 2009).

As the technological landscape evolves swiftly, consumers often face limitations in their understanding of online privacy and security concerns. Consequently, they heavily rely on laws and institutional security mechanisms to safeguard their interests (Kim & Kim, 2011). Regulatory measures serve as a safeguard for consumers, providing them with a sense of protection and assurance in an increasingly complex digital environment.

According to a comparative study on government regulation of privacy in the USA and the European Union, both countries share certain common conceptions

of privacy. They recognize the necessity of privacy safeguards and adhere to a set of broadly similar principles for the protection of personal data (Bygrave, 2014). These principles, known as the Fair Information Practices Principles (FIPP), represent the most widely accepted framework for privacy protection worldwide. The FIPPs emphasize the importance of minimizing data collection and using data for limited and specific purposes. However, the application of these principles can vary significantly and leave room for interpretation (Cate & Mayer-Schonberger, 2013).

Despite these commonalities, the USA and the European Union have different perspectives on privacy and data protection (Bygrave, 2014). In the USA, the initial assumption is that data processing is authorized, while in the European Union, any processing of personal data necessitates legal justification and compliance with inter-related obligations of transparency, fairness, and lawfulness. Data confidentiality is regarded as a fundamental right in the European Union. In contrast, the USA's privacy law lacks a clear source of moral authority, except in cases where the US Constitution addresses the implied right to privacy in relation to "intrusive government activities" (Cate, 1999).

These differing approaches to privacy regulation highlight the complexities and nuances in protecting personal data in different legal and cultural contexts. As data-driven technologies continue to shape our societies, understanding and reconciling these varying perspectives will remain essential in achieving effective privacy safeguards for individuals on a global scale. In this context, Morocco's regulatory framework takes center stage, offering insights into the intricacies of data protection within its jurisdiction.

## **Regulatory Protection of Consumer Privacy in Morocco (CNDP)**

The processing of personal data is often essential for an organization to meet administrative, organizational, or commercial requirements. But they can also violate the privacy and rights of the individuals concerned. The challenge is therefore to strike the right balance between the need for organizations to use this data and respect for the rights of the people concerned. It was with this in mind that law no. 09-08 was passed, and the National Commission for the Protection of Personal Data (La Commission Nationale de contrôle de la protection des Données à caractère Personnel, "CNDP") created.

Law No. 09-08, promulgated under Dahir No. 1-09-15 of February 18, 2009, mandates that any processing operation conducted in Morocco, whether by a Moroccan entity or a foreign principal involved in subcontracting or offshoring, must comply with regulations concerning the protection of individuals in personal data processing.

## ***The Role of the National Commission for the Protection of Personal Data (CNDP)***

The National Commission for the Protection of Personal Data (CNDP) is the national body responsible for ensuring the effective application of the provisions of Law 09-08. To this end, it works to establish transparency in the use of personal data by public and private organizations and to guarantee a balance between the protection of individual privacy and the need for organizations to use personal data in their activities.

To fulfill this role, the CNDP:

- Processes declarations and requests for authorization from public and private bodies processing personal data.
- Advises and governs, or parliament and the competent authorities, on matters relating to the protection of personal data.
- Investigates complaints from individuals who have suffered violations of their privacy.
- Manages the public register of personal data files, authorizations issued by the National Commission, and the information needed to enable data subjects to exercise their rights.
- Checks and verifies that personal data processing complies with the provisions of Law 09-08 and its implementing regulations.
- Maintains a legal and technological watch to study and analyze technological, legal, and societal trends and changes that could affect the protection of personal data or Morocco.

The CNDP oversees the implementation of data protection laws, reinforcing the fundamental principles set out in the legislation.

## ***Foundations and Scope of Data Protection Law***

The initial segment of the law sets forth the essential groundwork for data protection, elucidating crucial definitions and delineating its applicability. Here are the salient aspects:

*Definition Clarifications:* The law begins by elucidating pivotal terms such as personal data, data processing, sensitive data, data files, data controller, data processor, and more.

*Applicability of the Law:* It stipulates that the legislation encompasses both automated and non-automated processings of personal data, extending its jurisdiction to instances where the data controller operates outside Morocco but utilizes resources within Moroccan territory.

*Exceptions to Law Application:* Exceptions to the law's jurisdiction are outlined, including personal or domestic activities, data pertaining to national security, and information gathered under specific legislative mandates.

*Data Integrity and Consent:* The law outlines principles for data integrity, mandating that data must be processed fairly, collected for explicit and legitimate purposes, accurate, current, and stored securely. Furthermore, it asserts that the processing of personal data necessitates the unequivocal consent of the data subject, except in designated circumstances delineated by law.

### ***Rights Guaranteed by Law 09-08***

The person concerned by the collection and processing of his/her personal data has the following rights:

*Right to Information During Data Collection:*

- Individuals must be informed prior to the collection of their personal data, with clear and precise details provided by the data controller or their representative.
- This information includes the identity of the data controller, the purposes of the data processing, additional details such as recipients and the nature of the data, and the existence of rights regarding access and rectification.
- Documents used for data collection must contain these required details.
- If data are not collected directly from the individual, they must be provided with the necessary information before their data are recorded or shared with a third party.

*Limits to the Right to Information:*

- The obligation to provide information does not apply in certain cases, such as when data processing is necessary for national defense, or when it is impossible to inform the individual, as in statistical or historical processing.
- Exceptions also apply for processing related to journalistic, artistic, or literary purposes.

*Right of Access:*

- Individuals have the right to confirm whether their personal data are being processed, and to obtain information about the purposes of processing, the types of data involved, and who the data are shared with.
- They also have the right to access their personal data and information about its origin.
- The data controller may request extensions for legitimate requests and can reject manifestly abusive requests.

*Right to Rectification:*

- Individuals have the right to update, correct, delete, or block their personal data if it does not comply with the law.
- If the data controller refuses or does not respond within a specified period, individuals can request rectification from the National Commission.

*Right to Object:*

- Individuals can object to the processing of their data for legitimate reasons.
- They can also object to the use of their data for prospecting purposes, including commercial ones, at no cost.
- Exceptions apply when processing is required by law or when excluded by specific authorization.

*Direct Marketing Prohibition:*

- Direct marketing using certain automated means without prior consent is prohibited.
- Consent for electronic direct marketing must be freely given and recipients must be provided with the option to opt-out.

*Neutrality of Effects:*

- Judicial decisions cannot be based solely on automated processing of personal data to assess an individual's behavior or personality.
- Similarly, decisions with legal effects cannot be made solely based on automated data processing to define an individual's profile or assess their personality.

Law 09-08 ensures a delicate balance between individual data control and societal needs. It promotes transparency through information rights, empowers individuals with access and rectification abilities, and respects privacy preferences. Additionally, it safeguards against biases in automated processing, reflecting a commitment to fairness and equality in data practices. Overall, these rights uphold the core principles of data protection while accommodating societal functions and freedom of expression.

## ***Obligations of Data Controllers***

The law sets out the authorization and declaration requirements for data controllers, as well as the strict confidentiality and security obligations they must meet.

*Authorization Requirements:*

- Data processing involving sensitive data requires prior authorization unless exempted. Exceptions include processing by nonprofit organizations for religious, philosophical, political, cultural, or sports purposes.
- Other cases requiring prior authorization include using data for purposes other than collection, genetic data processing, processing of offense-related data, data containing national identity card numbers, and interconnection of files with different public service purposes.



- In other cases, a prior declaration is required.

*Prior Declaration:*

- The declaration includes details about the data controller, the processing purpose, categories of data subjects and data, recipients, data transfers, data retention period, available rights, and security measures.
- Data controllers must submit a declaration to the National Commission before implementing automated or related processing.
- The declaration must include information about the processing purpose, data categories, recipients, data transfers, retention period, available rights, security measures, and data interconnections.
- Some processing categories may qualify for a simplified declaration process, subject to the National Commission's approval.
- Certain non-automated processing may be eligible for a simplified declaration process, as determined by the National Commission.
- The obligation to declare does not apply to record-keeping aimed at public information, subject to the appointment of a data processing responsible person.
- Upon submission, the National Commission issues a receipt, allowing immediate processing commencement.
- If processing poses privacy risks, the National Commission may subject it to further authorization.

*Prior Authorization:*

- Authorization is required for processing sensitive data, granted based on specific criteria, including express consent or legal obligations.
- Health data processing is subject to declaration, except for specific medical purposes.
- Confidentiality and security obligations.
- Data controllers must implement appropriate technical and organizational measures to protect data against unauthorized access, alteration, or transmission.
- Measures include access controls, data encryption, and monitoring data transmission.
- All personnel involved in data processing must adhere to data handling instructions and maintain confidentiality even after leaving their roles.

The legal framework surrounding the obligations of data controllers underlines a meticulous approach to the protection of personal information. Through strict authorization and declaration requirements, the law aims to ensure transparency and accountability in data processing practices. In addition, the emphasis on confidentiality and security obligations underlines the imperative of implementing robust measures to protect sensitive data from unauthorized access or misuse. Taken together, these provisions create an environment conducive to the maintenance of individual privacy rights and confidence in data processing procedures.

## Conclusion

The significance of developing big data applications has grown significantly in recent years, with various organizations across different sectors becoming increasingly reliant on insights derived from vast volumes of data. However, the scale and diversity of the generated data have led to a rise in consumer privacy concerns and a decline in consumer trust. Implementing data privacy protection measures has become more challenging as a result. The complexities of balancing the risks and benefits associated with big data analysis are impacting companies in all industries due to their growing dependence on big data for their business models.

Addressing privacy concerns involves three main strategies. The first concerns the right to information, whereby privacy notices or policies are used on websites to allay the concerns of Internet users. The second and third strategies focus on consumer empowerment, which refers to an individual's perception of their ability to control the distribution and use of their personally identifiable information.

Governments also play a critical role in establishing a balance in the collection and use of private data. The Fair Information Practices Principles (FIPP) serve as a widely accepted framework for privacy protection worldwide. However, countries may apply these principles differently based on their own perspectives. For instance, while data processing is permitted in the USA, Morocco and the European Union require legal justification and adhere to a set of interconnected obligations concerning transparency, fairness, and lawfulness for any processing of personal data.

In conclusion, addressing privacy concerns is paramount in harmonizing the quest for data with safeguarding consumer interests. This review serves as a preliminary exploration into Moroccan privacy concerns and the concept of consumer empowerment. It lays the groundwork for an extended inquiry into the practical application of the safeguards articulated by organizations like the National Commission for the Protection of Personal Data (CNDP). Further research aims to probe the depth of Moroccan consumers' concerns regarding their data and the nature of grievances directed to entities like the CNDP. The complex landscape of data-driven technologies continues to evolve, necessitating a continuous quest for effective methods to alleviate consumer concerns and bolster trust.

## References

- Acquisti, A., & Grossklags, J. (2005). Privacy and rationality in individual decision making. *IEEE Security and Privacy*, 3(1), 26–33.
- Arli, D., Bauer, C., & Palmatier, R. W. (2018). Relational selling: Past, present and future. *Industrial Marketing Management*, 69, 169–184.
- Bacharach, S. B., & Lawler (1980). *Power and politics in organizations*. Jossey-bass.
- Bandara, R., Fernando, M., & Akter, S. (2020a). Addressing privacy predicaments in the digital marketplace: A power-relations perspective. *International Journal of Consumer Studies*. <https://doi.org/10.1111/ijcs.12576>

- Bandara, R., Fernando, M., & Akter, S. (2020b). Explicating the privacy paradox: A qualitative inquiry of online shopping consumers. *Journal of Retailing and Consumer Services*, 52, 1–9.
- Beyer, M. A., & Laney, D. (2012). *The importance of 'big data': A definition*. Gartner, 2014–2018.
- Bygrave, L. (2014). *Data privacy law: An international perspective*. Oxford University Press.
- Cate, F. (1999). The changing face of privacy protection in the European Union and United States. *Indiana Law Review*, 33, 173–232.
- Cate, F., & Mayer-Schonberger, V. (2013). Notice and consent in a world of Big Data. *International Data Privacy Law*, 3(2), 67–73. <https://doi.org/10.1093/idpl/ipt005>
- Clarke, R. (1999). Internet privacy concerns confirm the case for intervention. *Communications of the ACM*, 42, 60–67.
- CNDP. Loi 09-08. <https://www.cndp.ma/images/lois/Loi-09-08-Fr.pdf>
- CNDP. Mission. <https://www.cndp.ma/fr/cndp/missions.html>
- CNDP. Conditions. <https://www.cndp.ma/fr/responsabilites/traitement-au-maroc/conditions.html>
- Culnan, M. J., & Armstrong, P. K. (1999). Information privacy concerns, procedural fairness, and impersonal trust: An empirical investigation. *Organization Science*, 10(1), 104–115.
- Demchenko, Y., Grosso, P., De Laat, C., & Membrey, P. (2013). Addressing big data issues in scientific data infrastructure. In *2013 International Conference on Collaboration Technologies and Systems (CTS)*, pp. 48–55.
- Dinev, T., & Hart, P. (2006). An extended privacy calculus model for e-commerce transactions. *Information Systems Research*, 17(1), 61–80.
- Bandara, R., Fernando, M., & Akter, S. (2019). Privacy concerns in e-commerce: A taxonomy and a future research agenda. *Electronic Markets*, pp. 1–19, <https://doi.org/10.1007/s12525-019-00375-6>.
- Federal Trade Commission. (2000). Privacy online: Fair information practices in the electronic marketplace. In *A Report to Congress*. Washington, D.C. Retrieved from <http://www.ftc.gov/reports/privacy2000/privacy2000.pdf>
- Ferrell, O. C. (2017). Broadening marketing's contribution to data privacy. *Journal of the Academy of Marketing Science*, 45(2), 160–163.
- Flyverbom, M., Deibert, R., & Matten, D. (2019). The governance of digital technology. *Business and Society*, 58(1), 3–19.
- Gartner's IT Glossary: <http://goo.gl/OTj8y5>
- Hawkes, L. (2007). Impact of invasive web technologies on digital research. In Heidi, A. McKee, & Dànille Nicole DeVoss (Eds.), *Digital writing research: Technologies, methodologies, and ethical issues*, pp. 337–352.
- IHRB. (2016). Data brokers and Human Rights: Big Data, Big Business. Retrieved from <https://www.ihrb.org/focus-areas/information-communication-technology/data-brokers-big-databig-business>
- Kaisler, S., Armour, F., Espinosa, J. A., & Money, W. (2013). Big data: Issues and challenges moving forward. In *2013 46th Hawaii international conference on System Sciences (HICSS)*, pp. 995–1004.
- Katal, A., Wazid, M., & Goudar, R. H. (2013). Big data: Issues, challenges, tools and good practices. In *2013 Sixth International Conference on Contemporary Computing (IC3)*, pp. 404–409.
- Keim, D., Qu, H., & Ma, K. L. (2013). Big-data visualization. *IEEE Computer Graphics and Applications*, 33(4), 20–21.
- Kim, K., & Kim, J. (2011). Third-party privacy certification as an online advertising strategy: An investigation of the factors affecting the relationship between third-party certification and initial trust. *Journal of Interactive Marketing*, 25(3), 145–158.
- King, N. J., & Forder, J. (2016). Data analytics and consumer profiling: Finding appropriate privacy principles for discovered data. *Computer Law and Security Review*, 32(5), 696–714.
- Krishen, A. S., Raschke, R. L., Close, A. G., & Kachroo, P. (2017). A power-responsibility equilibrium framework for fairness: Understanding consumers' implicit privacy concerns for location-based services. *Journal of Business Research*, 73, 20–29.

- Kucuk, S. U. (2009). The evolution of market equalization on the internet. *Journal of Research for Consumers*, 16, pp. 1–15.
- Kumar, V., Demetis, D. S., & Vecchio, R. P. (2013). Performance implications of big data analytics in supply chain management. *Communications of the Association for Information Systems*, 32(1), 486–502.
- Kumar, S., Mangold, W. G., Luque-Martinez, A., Casalo, L. V., & Reinoso Carrasco, J. (2017). Social media analytics for customer relationship management: Literature review and research propositions. *Journal of Business Research*, 100, 221–232
- Laufer, R. S., & Wolfe, M. (1977). Privacy as a concept and a social issue: A multidimensional developmental theory. *Journal of Social Issues*, 33(3), 22–42.
- LaValle, S., Lesser, E., Shockley, R., Hopkins, M. S., & Kruschwitz, N. (2011). Big data, analytics and the path from insights to value. *MIT Sloan Management Review*, 52(2), 21.
- Lwin, M., Wirtz, J., & Williams, J. D. (2007). Consumer online privacy concerns and responses: A power-responsibility equilibrium perspective. *Journal of the Academy of Marketing Science*, 35(4), 572–585.
- Martin, K. (2016). Data aggregators, consumer data, and responsibility online: Who is tracking consumers online and should they stop? *The Information Society*, 32(1), 51–63.
- Mayer-Schonberger, V., & Cukier, K. (2013). *Big Data: A revolution that will transform how we live, work, and think*. Houghton Mifflin Harcourt.
- McKnight, D. H., & Chervany, N. L. (2001). What trust means in e-commerce customer relationships: An interdisciplinary conceptual typology. *International Journal of Electronic Commerce*, 6(2), 35–59.
- Miezewski, E., & Chester, J. (2013). Selling consumers not Lists: The new world of digital decision-making and the role of the fair credit reporting act. *Suffolk University Law Review*, 46, 845–880.
- Mou, J., Shin, D.-H., & Cohen, J. F. (2017). Trust and risk in consumer acceptance of e-services. *Electronic Commerce Research*, 17(2), 255–288.
- Mundie, C. (2014). [The specific title of the work is missing in the provided reference. Please include the title if available, followed by other relevant publication details].
- Netscape Communications is an American computer company that pioneered the World Wide Web with its Netscape Navigator web browser.
- Network Advertising Initiative. (2012). Understanding online advertising: Frequently asked questions. Retrieved from. <http://www.networkadvertising.org/>
- Norberg, P. A., Horne, D. R., & Horne, D. A. (2007). The privacy paradox: Personal information disclosure intentions versus behaviors. *Journal of Consumer Affairs*, 41(1), 100–126.
- Olivero, N., & Lunt, P. (2004). Privacy versus willingness to disclose in e-commerce exchanges: The effect of risk awareness on the relative role of trust and control. *Journal of Economic Psychology*, 25, 243–262.
- Rousseau, D. M., Sitkin, S. B., Burt, R. S., & Camerer, C. (1998). Not so different after all: A cross-discipline view of trust. *Academy of Management Review*, 23(3), 393–404.
- Sagiroglu, S., & Sinanc, D. (2013). Big data: A review. In *2013 International Conference on Collaboration Technologies and Systems (CTS)*, pp. 42–47.
- Siegel, E. (2013). *Predictive analytics: The power to predict who will click, buy, lie, or die*. John Wiley and Sons.
- Smith, H. J., Milberg, S. J., & Burke, S. J. (1996). Information privacy: Measuring individuals' concerns about organizational practices. *MIS Quarterly*, 20(2), 167–196.
- Van den Poel, D., & Buckinx, W. (2019). Understanding cart abandonment in e-commerce using a customer journey perspective: The role of product information, delivery options, and payment security. *International Journal of Research in Marketing*, 6(2), 293–312.
- Van Dyke, T. P., Vishal, M., & Nemati, H. (2007). The effect of consumer privacy empowerment on trust and privacy concerns in e-commerce. *Electronic Markets*, 17(1), 68–81.
- Wathieu, L., Brenner, L., Carmon, Z., Chattopadhyay, A., Wertenbroch, K., Drolet, A., Gourville, J., Muthukrishnan, A. V. Novemsky, N., Ratner, R. K. Wu, G. (2002). Consumer control and empowerment: A primer. *Marketing Letters*, 13, 297–305.

- West, S. M. (2019). Data capitalism: Redefining the logics of surveillance and privacy. *Business and Society*, 58(1), 20–41.
- Wu, X., Zhu, X., Wu, G. Q., & Ding, W. (2014). Data mining with big data. *IEEE Transactions on Knowledge and Data Engineering*, 26(1), 97–107.
- Xiao, B., Yiu, M. L., Jin, X., & Wang, Y. (2014). Customer experience in e-commerce. *Journal of Interactive Marketing*, 28(1), 13–28.

**Abdelouahid Kouchih** Ph.D., is an International Expert and a professor of Marketing and Strategy (28 years of experience in higher education). He is the head of research team “Marketing, innovation and competitiveness”, Research laboratory “Law and Business Management”, Hassan II University, Faculty of Legal, Economic and Social Sciences Ain-Chok, Casablanca, Morocco. He is the holder of a Ph.D. in marketing. In his thesis, he dealt with the problem of the organic relationship linking marketing to the competitiveness of the company. He is the author of several articles published in international journals and books, and of communications in several international conferences leading to a first book entitled “Marketing Performance”.

**Hanane Mataa**, an expert in marketing and commercial actions, is currently pursuing a PhD at the Faculty of Legal, Economic and Social Sciences in Law and Business Management laboratory. Her research focuses on “Digital marketing practice in social media and consumer empowerment”, exploring the dynamic relationship between digital strategies and consumer influence. Mataa’s expertise extends to international publications dissecting this field, highlighting evolving trends in digital consumer behavior. Addressing international audiences, she emphasizes the ethical dimensions of digital marketing. Mataa’s work bridges the gap between academia and industry, offering invaluable insights into navigating the ethical challenges inherent in digital marketing strategies and empowering consumers through social media interactions.

# The Challenges and Opportunities of COVID-19 for Islamic Microfinance Institutions in Bangladesh



Md Nazim Uddin, Ahasanul Haque, and Zohurul Anis

**Abstract** This study focuses on the Urban Poor Development Scheme (UPDS) and the Rural Development Scheme (RDS), both of which are types of Islamic Microfinance Institutions. It examines the effects of the COVID-19 pandemic on these two categories of Islamic Microfinance Institutions (IsMFIs). The significant decline in economic activity during the pandemic has significantly impacted the lives of several people, especially those who are debtors of multinational Islamic Microfinance Institutions (IsMFIs). A more robust understanding of the need for financial inclusion and increased demand for digital financial services are two instances of the potential that Bangladeshi IsMFIs have identified their challenges. The significance of this research lies in the pivotal role that IsMFIs assume in alleviating poverty at the national level, namely among marginalized populations. This study fills the knowledge gap about the opportunities and challenges that COVID-19 poses for IsMFIs operating in Bangladesh. The principle behind this methodology is library research, which entails gathering and assessing data from various sources. Yearly reports from UPDS, RDS, and the Bangladesh Bureau of Statistics supplement data gathering. The study process was underpinned by the use of robust quantitative research methodologies. Strategies for expanding foreign financial institutions in Bangladesh following the COVID-19 pandemic are formulated based on the study results, highlighting the potential for significant growth and expansion in this sector. Due to the COVID-19 pandemic's impact on the microfinance sector, this study examines the current scholarly discourse on the obstacles and prospects that IsMFIs in Bangladesh encounter. Furthermore, it will furnish astute insights concerning these

---

M. N. Uddin

Department of Business Administration, Ankara University, Ankara, Turkey

M. N. Uddin · A. Haque (✉)

Department of Business Administration, International Islamic University, Box No 10, 50728  
Kuala Lumpur, Malaysia

e-mail: [ahasanul@iium.edu.my](mailto:ahasanul@iium.edu.my)

Z. Anis

Department of Management Studies, Rajshahi University, Rajshahi 4205, Bangladesh

obstacles and prospects. This study's findings provide practical guidance for policymakers and other stakeholders in advocating for IsMFIs, thereby mitigating the disease's impact on Bangladesh's impoverished population.

**Keywords** Urban Poor Development Scheme (UPDS) · The Rural Development Scheme (RDS) · COVID-19 · Islamic Microfinance Institutions (IsMFIs) · Poverty alleviation · Bangladesh

## Introduction

The pandemic-induced economic downturn has significantly impacted several individuals, especially those who borrowed from Islamic Microfinance Institutions (Aziz et al., 2022). Institutions specializing in Microfinance Innovation welcome applications from households and people with modest to meager incomes who need loans and other essential financial services. They were established based on Sharia law, which prohibits using money and interest (Abdul Zalim, 2022). Islamic Microfinance Institutions in Bangladesh have effectively alleviated poverty, particularly among women and underprivileged communities.

Islamic Microfinance Institutions in Bangladesh have many challenges related to the COVID-19 pandemic. Lenders acknowledge that the pandemic's deterioration exacerbates the difficulty of loan repayment due to income loss. The labor market's reaction to the pandemic challenges debtors in fulfilling their debts (Aziz et al., 2022). As a result of the pandemic, the government has reduced financing for IsMFI, exacerbating their already fragile situation. Notwithstanding these challenges, COVID-19 has created opportunities for Islamic Microfinance Institutions in Bangladesh (Aziz et al., 2022). IsMFIs' digital financial services are seeing a surge in demand due to the pandemic. There is an increasing recognition of the need for financial inclusion, facilitating the establishment of IsMFI. Low-income families and people have received financial services from IsMFIs despite the epidemic. However, the epidemic has underlined the need for more government and other IsMFI assistance. According to Udding et al. (2020), IsMFIs may help the economy recover from pandemics. Islamic financial institutions in Bangladesh must adapt to rapid social and economic development. To ensure financial sustainability, Islamic Microfinance Institutions (IsMFIs) must build relationships with governments and stakeholders (Mohamed & Elgammal, 2023).

This research is unique since it examines COVID-19's effects on Bangladeshi Islamic Microfinance Institutions (IsMFIs). Financial help to IsMFIs and borrower repayment rates (Aziz et al., 2022). Given its practicality, Bangladeshi Islamic financial institutions should examine COVID-19's prospects and problems. Thus, the goal becomes more attainable. COVID-19's possibilities and challenges for Bangladeshi Islamic Microfinance Institutions (IsMFIs) must be researched in two years for this project. This study must be completed on time. Understanding IsMFI issues and possibilities may help create effective support strategies (Akbar & Siti-Nabiha, 2022).

The COVID-19 epidemic has presented challenges and opportunities for Bangladeshi Islamic Microfinance Institutions (IsMFIs). However, these subjects are understudied. This explains Bangladesh's research gap (Aziz et al., 2022). Islamic Microfinance Institutions (IsMFIs) in Bangladesh should be able to connect with women and other disadvantaged groups (Ülev et al., 2022). These institutions are crucial to Bangladesh's poverty fight. The majority of COVID-19 research in Bangladesh focuses on the microfinance business. Islamic microfinance organizations' challenges and prospects are neglected. COVID-19 has presented Bangladeshi IsMFIs with several challenges and opportunities. Therefore, this work is crucial for shedding light on this topic. This data will help Bangladeshi authorities and stakeholders assist Islamic Microfinance Institutions (IsMFIs) and reduce COVID-19's poverty impact. This study fills gaps in COVID-19's influence on microfinance. This knowledge may help governments and other parties assist Islamic Microfinance Institutions (IsMFIs) and reduce COVID-19-related poverty in Bangladesh.

Additionally, it highlights Bangladeshi financial organizations' opportunities and challenges. The research offers the data above. The COVID-19 epidemic will be considered while recommending IsMFI finance in Bangladesh. The COVID-19 epidemic has hurt Bangladeshi enterprises. Hossain et al. (2020) examined how the pandemic affected Bangladeshi Islamic microfinance organizations' business activities. To preserve the economy and society, they stressed infectious illness pandemic containment. Alam et al. (2020) found substantial effects on Bangladesh's ready-made garment industry, foreign remittances, GDP, and labor force participation. The analysis shows the pandemic's widespread influence on Bangladesh's economy.

COVID-19's effect on employment and life is concerning, especially for low-income people. Hossain (2021) stressed the need to learn from Bangladesh's pandemic's extraordinary economic and social destruction and develop methods to limit its effects on livelihoods and jobs. Hossain (2021) utilized econometrics to assess Bangladesh's GDP, exports, remittances, and unemployment after the COVID-19 pandemic.

According to the research, Bangladesh must reduce the economic impact of the pandemic. Addressing fast-moving consumer goods challenges requires effective management. Employment, remittances, and GDP have all suffered from the epidemic, emphasizing the need for focused actions to avert repeat crises and boost economic recovery. Several Bangladeshi economic sectors and indicators have suffered from COVID-19. The paper emphasizes the thorough pandemic response and Bangladesh's economic recovery.

## Literature Reviews

Islamic microfinance organizations allow low-income families and individuals to create savings accounts and acquire small loans, according to Lawhaishy and Othman (2023). Governments and development groups are implementing Islamic Microfinance Institutions worldwide to end poverty. This source examined microfinance



firms' financial viability, Islamic microfinance's influence on poverty, and current concerns, according to Uddin et al. and's (2020a, 2020b, 2020c) study. Islamic microfinance significantly reduces poverty (Uddin et al., 2020a, 2020b, 2020c). According to research, Islamic microfinance reduces poverty. Islamic microfinance reduces poverty by 12%, according to World Bank studies. The long-term economic effect of Islamic microfinance has also been studied (Fersi & Bougelbène, 2021). Small Islamic microfinance groups struggle to raise funds. Economic downturns and financial stock calamities may occur. Several studies (Mutamimah et al., 2022) found that influential Islamic microfinance firms require efficient financial resource management.

Islamic microfinance has illuminated these communities' struggles. Mohamed and Elgammal (2023) say increasing interest rates make borrowing harder for low-income people. Many microfinance firms provide higher interest rates than banks. They struggle with scale, money, and default. Lack of collateral makes microfinance harder for institutions, according to Ben Salem and Ben Abdelkader (2023) and Lawhaishy and Othman (2023). Low-income borrowers may not have moveable assets to secure loans. Thus, Islamic Microfinance Institutions struggle to estimate these borrowers' default risk (Shaikh, 2020). Islamic microfinance enterprises have helped low-income households despite their challenges. Islamic microfinance groups have helped millions overcome poverty and succeed.

Studies show that Islamic microfinance organizations may reduce poverty and boost economic development. Many low-income people rely on them. Islamic Microfinance Institutions have suffered significant losses due to COVID-19, raising worries about their long-term viability. COVID-19, poverty, sustainability, and IsMFI problems are examined in this study. No issues have arisen for banks and IsMFIs due to COVID-19. Studies have linked cryptocurrencies to the economy, and the COVID-19 epidemic has hurt both (Demir et al., 2020). The financial institutions in South Asia, specifically in Bangladesh, have suffered catastrophic losses, jeopardizing their capacity for stability and adaptation (Karim et al., 2021). The pandemic had a detrimental effect on rural Indonesian banks as well, as seen by a decrease in current asset ratios and an increase in the number of loans that were considered to be non-performing (Mulyati et al., 2022). The pandemic has resulted in difficulties for organizations that provide microfinance. There is a shortage of research on Islamic microfinance and funding for small and medium-sized enterprises (SMEs). As a result, focused interventions are necessary to promote resilience and sustainability (Lwesya & Mwakalobo, 2023). During COVID-19, Islamic social funding known as zakat, infaq, and shadaqah contribute to alleviating poverty (Aprianto, 2023).

An inquiry was conducted to determine the extent to which COVID-19 affects the day-to-day operations of IsMFIs. The results proved that there is a need for flexible solutions to accommodate the ever-changing socioeconomic environment (Zheng & Zhang, 2021). According to Umar et al. (2021), the pandemic has promoted a greater understanding of Islamic social finance and moral principles, which protect economically disadvantaged communities. The pandemic has also impacted the halal and Islamic finance businesses, highlighting the need to find adaptable solutions to urgent challenges (Hidayat et al., 2021; Rusydiana et al., 2022). Amid the pandemic,

a new pattern of illegal behavior has emerged inside the financial sector, which has given rise to concerns about the honesty and safety of financial institutions (Wronka, 2021).

Studies have shown that the pandemic impacts Islamic Microfinance Institution consumers; hence, an urgent assessment must be made about its effects on vulnerable persons and small enterprises (Onuka & Oroboghae, 2022). According to Shrestha and Thapa (2021), the pandemic affected the repayment patterns of IsMFIs' customers, necessitating specific measures to strengthen their financial resilience.

Sustainable Islamic microfinance organizations are responsible for safeguarding their customers, staff, and the environment during the COVID-19 pandemic. The local economy and the community's social fabric have both been negatively impacted due to this issue (Abrar et al., 2021; Ansari et al., 2021). To illustrate the relationship between economic and social variables in Islamic microfinance, the pandemic has affected the resiliency of families, the financial stability of families, and the empowerment of families (Kizza, 2021; Yanti & Fauziah, 2021).

Sustainable Islamic Microfinance Institutions have been encouraged to capitalize on the cultural identity and capacities of the local community to improve communities (Astawa et al., 2021; Sukmawati & Maryanti, 2021). This is an alternative solution to the pandemic that has been implemented. COVID-19 substantially influences the social and financial environment, as shown by its impacts on audit processes, socioeconomic gaps, and stock market responses.

As a result of the outbreak of the COVID-19 pandemic, Islamic Microfinance Institutions are in danger of jeopardizing their capacity to persist, keep their resilience intact, and alleviate poverty. In addition, this organization is more adamant about adapting to changing socioeconomic conditions and has specific programs that successfully reduce poverty.

## World View of Islamic Microfinance Institutions

Islamic Microfinance Institutions have garnered significant interest in recent years due to their unique approach to financial services, especially in countries with a primarily Muslim population, such as Bangladesh. Islamic law prohibits interest and requires firms to engage with Islamic authorities (Fianto et al., 2019). Sharia-compliant Islamic microfinance organizations distinguish themselves from ordinary banks, according to Salem and Abdelkader (2023). Scholars recommend integrating Islamic microfinance with charities, NGOs, and *Zakat* and *Waqf* institutions in Bangladesh to increase financial inclusion and reduce poverty (Setiawan & Yusoff, 2022).

Sharia-compliant Islamic microfinance may reduce poverty, particularly in Muslim communities (Ahmad & Ahmad, 2021). A thorough study of Islamic microfinance's poverty reduction and advancement of the Sustainable Development Goals revealed its potential to empower borrowers (Ahmad & Ahmad, 2021). Islamic

Microfinance Institutions have improved the economy and directly increased rural household income in Indonesia (Rokhman & Abduh, 2019).

Shaikh (2020) states that Fintech may help Islamic microfinance organizations flourish. Technology may improve service accessibility, efficiency, financial inclusion, and poverty reduction for Islamic microfinance organizations. Amran et al. (2019) believe mobile banking might transform Islamic microfinance service providers' financial and social performance.

In Bangladesh, Islamic microfinance studies have concentrated on delivering Sharia-compliant financial services to empower women economically (Nawawi et al., 2022). Islamic microfinance, especially Micro Waqf Banks, may boost women's economic agency and promote sustainable development (Nawawi et al., 2022). In Ahmed et al. (2020), the researchers looked at the behavioral intention of potential Bangladeshi clients, particularly women, to adopt Islamic microfinance services.

Innovative and unique businesses attract customers and remain competitive. Studies suggest that Islamic microloans' flexibility helps small firms and entrepreneurs receive financing. Small businesses and entrepreneurs must adapt to prosper in changing environments. Their findings reveal that Islamic Microfinance Institutions (IsMFIs) provide financially beneficial services that meet Sharia law's highest ethical standards. This balance is necessary for financial and moral aid and economic progress in poor communities.

In 2022, Ülev et al. assessed Turkey's socioeconomic growth and Islamic microfinance firms. By helping disadvantaged areas, these organizations benefit the economy. Islamic microfinance organizations promote sustainability via financial services and ethics. They encourage inclusive socioeconomic development by prioritizing moral and economic growth. Zulpahmi et al. examined how Islamic microfinance affects higher education financial literacy and Sharia government in 2022. According to their study, Islamic microfinance programs improve students' financial literacy and Sharia-compliant financial behavior.

Through the efforts of Islamic microfinance companies, Bangladesh, a nation with a primarily Muslim population, has been able to eradicate the issues of financial marginalization and poverty downright. Organizations following Sharia law make improvements in mobile and financial technologies accessible to poor populations. According to the conclusions of empirical research, Islamic microfinance contributes to the enhancement of economic success, ethical finance, and the well-being of communities. Additionally, it helps to integrate poor individuals into mainstream banking, which contributes to promoting economic justice. This article discusses the benefits of Islamic microfinance companies in great detail. Not only do these institutions supply essential financial services, but they also encourage morality, socioeconomic growth, financial conduct, and knowledge. The fact that they have been shown to play a significant part in integrating marginalized people into the official financial system and in supporting inclusive economic growth is proof of their immense effect on individuals and communities.

## Islamic Microfinance Institutions in Bangladesh

According to the results of Ahmad and Ahmad (2021), more than two thousand Islamic Microfinance Institutions (IsMFIs) have made significant development by giving loans totaling one hundred billion dollars to one hundred million people across one hundred countries. This has enabled these institutions to achieve extraordinary growth. The relevance of Internet-based microfinance institutions (IsMFIs) to the financial stability of consumers with low salaries at the current moment is shown by this.

Islamic Microfinance Institutions (IsMFIs) have been shown in several studies to successfully lower suffering, poverty, and life expectancy (Ahmad & Ahmad, 2021). By using IsMFIs, the Islamic Development Bank hopes to reduce poverty by fifteen percent. Islamic Microfinance Institutions (IsMFIs) continued helping the individuals they were supposed to help despite economic downturns and natural calamities (Kuanova et al., 2021; Shirazi et al., 2021). IsMFIs confront size, expense, and religious/cultural issues. Low-income borrowers are concerned about their higher interest rates than commercial banks. Customer service is negatively impacted by Islamic Microfinance Institutions' inability to evaluate loan risk due to inadequate collateral and high default risks (Shirazi et al., 2021). Despite their drawbacks, ISMFs have assisted millions of low-income families in meeting their expanding financial needs, reducing poverty, and improving their quality of life (Ahmad & Ahmad, 2021; Shirazi et al., 2021). IsMFIs seem to meet these organizations' financial sustainability and social impact aims. These organizations address social issues and provide financial services for holistic development.

Ledhem and Mekidiche (2020) suggest that Islamic microfinance can boost financial performance and economic growth. Islamic finance's risk-sharing and ethical investments promote sustainable economic development. A bibliometric study by Ismail and Aisyah (2022) revealed several criteria and phrase co-occurrences in Islamic social finance literature, suggesting growth. Alawneh (2022) states that Islamic finance and fiscal policy research consider the participatory system more stable and balanced than the interest rate-based system.

A case study shows that Islamic microfinance removes structural barriers to entrepreneurship, boosting economic development (Zitouni & Jedidia, 2022). *Maqashid al-Sharia's* Islamic microfinance study matches the Qur'an and Sunnah economic ideas (Nurasyah, 2020). As-Salafiyah and Kartikawati (2022) found that Islamic microfinance as social finance in Indonesia promotes social and financial inclusion. Disparities in Islamic finance, profit-making methods, economic effects, and competition with traditional financial institutions have been questioned (Dorofeev & Griban, 2021). According to Rafikov and Akhmetova (2020), Islamic microfinance's impact on social sciences demands multidisciplinary study. The short- and long-term dynamics of Islamic housing financing in Malaysia and its economic impact have also been studied (Idris et al., 2022). Tawhidi Islamic Economics (TIE) is strongly promoted in Islamic economics education. *Riba* and Islamic finance

semantic and terminological issues have also been examined, emphasizing the necessity for financial speech clarity.

Islamic microfinance firms' COVID-19 financing adaption methods have been explored (Aisyah et al., 2021). The fast rise of Islamic finance, its popularity in certain places, and *musharakah*'s role in economic growth have been studied (Ahmad et al., 2019). Islamic finance is lauded by mainstream and Muslim clients for its ethical foundation and global financial stability. The complete financial inclusion strategy uses social fund redistributive and risk-sharing mechanisms to promote financial inclusion and reduce poverty. This includes *zakat*, *infaq*, and *waqf*.

Research has examined peasant-based Islamic microfinance expansion. This expansion's social and religious motives have been examined. Islamic safety financing helps explain conventional and Islamic finance and asset-backed financial transaction requirements (Mosteanu, 2019). A comparative analysis of dead-weight loss in interest-based and interest-free (Islamic) microfinance programs by Hossain (2019) suggests that switching to Islamic institutions may increase financial institution members' well-being. Research has also examined the role of Islamic microfinance in Muslim countries' human development, focusing on micro-credit and profit-and-loss sharing for economic growth.

The integrated approach to Islamic microfinance to alleviate poverty in Bangladesh shows that Islamic microfinance firms struggle to develop and help small-scale entrepreneurs and people experiencing poverty. Exploratory research in Indonesia shows that institutional and organizational factors affect Islamic microfinance program structure and operation. Non-governmental organizations examined Islamic microfinance's theological and economic grounds and its impact on Muslim women's subjectivity in Bangladesh (Shammi, 2019).

Islamic microfinance has been evaluated for its fairness, non-payment requirements for needy consumers, and ability to protect the seriously disadvantaged against project failure. Islamic microfinance in Lahore, Pakistan, must expand beyond self-employment to boost local economies. Islamic Microfinance Institution (IsMFI) literature addresses poverty alleviation, economic empowerment, social and financial efficiency, and Islamic finance's impact on economic progress.

## **The Urban Poor Development Scheme and the Rural Development Scheme (RDS) (UPDS)**

In many studies, these measures have improved low-income people's living conditions, wages, and poverty rates. Islami Bank Bangladesh Limited estimated that RDS and UPDS might reduce poverty by 10%. Despite progress, high loan rates, collateral limitations, and financing restrictions have hampered businesses. Without collateral, the UPDS and RDS cannot assess the applicant's creditworthiness.

UPDS and RDS may face distinct limits due to cultures, religions, collateral, and finances. Despite limitations, the efforts improved low-income banking services,

lowering poverty and helping millions. This analysis found that these governmental measures are essential to reducing poverty and growing Bangladesh's economy. Studies show that psychological factors impact Islamic microfinance management and staff. Anwar et al., (2023a, 2023b) found that formal and social justice significantly impact Indonesian Islamic microfinance employers' psychological distress and performance. Effective microfinance initiatives need social justice and mental health care.

This study examines risk, residual dizziness (RD) predictors in well-treated patients, microfinance program successes and failures, and psychological effects (Fu et al., 2022). According to Fu et al.'s 2022 study, middle-aged and older people are likelier to have recurring dizziness (RD) following BPPV treatment. These data reveal health outcomes' complexity and how demographic and psychological factors affect medical therapy. The report also examines why more countries are using Islamic microfinance. Pakistani research on Shariah-based microfinance found that governance and reputation affect Islamic banking acceptability (Ansari et al., 2021). Governance has been studied to decrease poverty and evaluate microfinance firms. Governance frameworks increase microfinance business attractiveness via social effect and poverty reduction, according to Uddin et al. and's (2020a, 2020b, 2020c) study.

Islamic microfinance may meet consumer needs and promote zakat and waqf to reduce poverty. Islamic microfinance reduces poverty and boosts economic development by solving financial issues for numerous clients. According to research, Islamic microfinance initiatives alleviate poverty, boost economic development, and improve mental health. Governance, psychological pain, and demographics affect microfinance performance and acceptance. In this study, microfinance's influence on poverty and economic progress.

## Methodology

Through its rigorous collection and analysis of published data using a library methodology (Lwesya & Mwakalobo, 2023), the study provides a crucial humanistic viewpoint on social problems. The research, based on data obtained from the Bangladesh Bureau of Statistics, yearly reports, and scholarly publications, as well as RDS and UPDS activities spanning from 2018 to 2021 (Lwesya & Mwakalobo, 2023), demonstrates the significant advancement of implementing RDS and UPDS in Islamic banks. This is achieved through descriptive statistics, cluster analysis, and qualitative data analysis (Lwesya & Mwakalobo, 2023), thereby underscoring the importance of our findings to Islamic finance and microfinance. This 2018–2021 study examines RDS and UPDS performance to understand Islamic financial institution growth (Lwesya & Mwakalobo, 2023). Analyzing how accountability and transparency in Islamic Microfinance Institutions impact confidence and willingness to grant cash waqf may reveal how these characteristics boost industry support and trust (Ahmad & Rusdianto, 2020).

The study investigated Bangladeshi Islamic financial institutions' performance and factors, focusing on COVID-19's potential impact. The study included a detailed library research strategy and statistical and qualitative analysis. This research uses reliable sources to explain Islamic microfinance in Bangladesh.

## Data Analysis

Based on the most current data, it can be said that both RDS and UPDS have been effective for a considerable time. It has become more common for an increase in the number of authorized branches, communities, customers, overall expenditures, significant investments, and savings. In addition, other cost reductions have been implemented. A high pace of recovery has also been maintained during this storm, which is a positive development. The information given in Table 1 demonstrates that there has been a general upward trend in the number of loans that have been late and fall into a variety of categories. The number of permissible branches had an initial increase of 8% in the year 2019, which was then followed by two more yearly increases of 4% in the years 2020 and beyond over the subsequent years. It would seem that both the RDS and the UPDS are increasing the number of services they provide in rural areas and geographically expanding their reach. The number of communities participating in RDS and UPDS programs is expected to increase by twelve percent in 2019, five percent in 2020, and eleven point nine percent in 2021, respectively. This growth is expected to occur in the subsequent years. Based on this information, it is possible to conclude that RDS and UPDS are expanding their client base to include more individuals who reside in rural regions. Between 2019 and 2021, the RDS and UPDS membership increased by thirteen percent, six percent, and eleven percent, respectively. This is a thirteen percent rise over the previous level. As is evident, RDS and UPDS are working to increase the number of people participating in their programs. The number of users who used RDS and UPDS was anticipated to expand by ten percent in 2019, three percent in 2020, and twelve and a half percent in 2021. This was the assumption that was taken into consideration. Based on this information, it is possible to conclude that RDS and UPDS provide their customers with supplementary goods and services, such as banking loans.

With the overall benefits from RDS and UPDS expected to have increased by 17.03% by 2021, it is estimated that the total benefits would have climbed from 15.0% in 2020 to 18.0% in 2019. These forecasts indicate that this expansion will continue in the same way that it has been developing. It is feasible to conclude that RDS and UPDS provide consumers with more services and a higher monetary value. In 2019, the significant investments that RDS and UPDS made generated a growth rate of 11%, followed by a growth rate of 15% in 2020 and 21.33% in 2021. After that, the growth rate continued to increase. The fact that RDS and UPDS spend more money in their respective communities and with their customers than they do in other businesses is shown by this number one. In 2019, there was a sequential rise of 26% in the number of past-due loans. This was followed by an increase of 11.4% in 2020

**Table 1** Performance of RDS and UPDS

S. No.	Particulars	2018	2019	Increase/ decrease	Growth (%)	2020	Increase/ decrease	Growth (%)	2021	Increase/ decrease	Growth (%)
1	Designated branches	272	295	23	8	306	11	4	319	13	4
2	Village	21,992	24,626	2,634	12	25,842	1,216	5	28,921	3,079	11.91
3	Member	1,108,283	1,253,512	145,229	13	1,323,705	70,193	6	1,469,362	145,657	11.00
4	Client	625,532	687,234	61,702	10	707,490	20,256	3	798,446	90,956	12.85
5	Cumulative disbursement	236,423.80	278,660	42,236.22	18	320,833	42,173	15	375,461	54,628	17.03
6	Investment outstanding	29,436.27	32,722	3,285.75	11	37,766	5,044	15	45,823	8055	21.33
7	Amount of overdue	166.84	209.75	42.91	26	449.77	240.02	114	488.62	38.85	8.64
8	Amount of classified	224.79	221.35	(3.44)	(2)	179.66	(41.69)	(19)	306.06	126.40	70.35
9	% of recovery	99.43%	99.36%	(0.07%)	-	98.81%	(0.55)	(0.01)	98.93%	(0.12)	(0.12)
10	Savings	10,464.90	11,852	1,387.35	13	12,653	800	7%	14,041	1,388	10.97
11	No. of RDS employees	2479	2,795	316	13	2,724	(71)	(3)	3,078	354	12.99

Amount in a million BDT, 1 USD = 100 BDT



and 8.64% in 2021. However, even though this indicates that only a few consumers are behind on loan repayments, the ratio is constantly increasing.

The number of classified loans increased by 70.35% in 2021, a considerable rise compared to the 19% growth in 2020. An increase of two percent was expected in 2019. As a result of this being the case, it may be deduced that a tiny but significantly increasing proportion of loans are at risk of having their principal repaid. A fantastic recovery rate of 99.43% was accomplished, followed by a recovery rate of 99.36% in 2019, 98.81% in 2020, and 98.93% in 2021 after that. A high pace has been maintained throughout time due to the passage of time. Considering this finding, it is evident that RDS and UPDS are making adequate progress with their debt collection actions. In 2019, savings rose by thirteen percent; in 2020, they increased by seven percent; and in 2021, they increased by fourteen point nine seven percent. Consequently, RDS and UPDS can assist its members with financial planning. There was an increase in the number of employees working for RDS in the following three years: 12.99% in 2021, 3.0% in 2020, and 13.0% in 2019; because of this, RDS and UPDS would most likely enhance their human resources to satisfy the ever-increasing demand for their services. According to the data, the RDS and the UPDS execute their functions efficiently and favorably, impacting rural areas. Despite this, a tiny but growing percentage of customers consistently fail to repay timely loans. RDS and UPDS make it a top priority to ensure that they continue to fully complete their obligation for debt collection and deliver outstanding service to meet the requirements of their clients.

## Data Findings

Over the last several months, both the RDS and the UPDS have been functioning at an extremely high degree of efficiency. It is becoming more usual for a surge in the number of authorized branches, communities, customers, total expenditures, significant investments, and savings. In addition to that, other cost savings have been put into execution. Furthermore, there has not been any obvious slowing down in the healing process either. Whatever the case may be, there has been a discernible increase in the number of loans that are past due. Research has shown that only a tiny fraction of customers fail to make payments on their loans, but this fraction is increasing. Regarding RDS and UPDS, the most important goals should be to deliver exemplary customer service and reclaim any debts that are still due. They must innovate by developing new goods and services to fulfill their requirements (Fig. 1).

Both RDS and UPDS need to strive toward adopting a more proactive strategy when it comes to the collection of debts. The administration of loan defaults, the provision of counseling to borrowers, and the introduction of a more severe process for approving loans are some possible consequences that might arise. RDS and UPDS are responsible for satisfying their pledge to provide high-quality customer service. It is strongly suggested that the customer carefully examine the needs and promptly

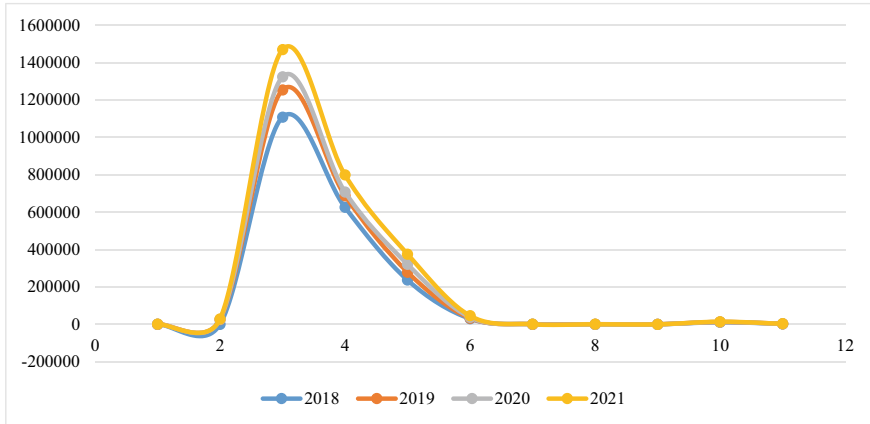


Fig. 1 Growth of RDS and UPDS

fix any challenges by providing accurate information on time. This is done to develop one-of-a-kind items and services that meet the consumers’ expectations and make them happy. Acquiring financing to start a company or purchase real estate is not demanding.

## Conclusion

There have been international microfinance institutions (IsMFIs) situated all over the globe that have been impacted by the COVID-19 epidemic that has been occurring in Bangladesh. Several favorable results have been brought about due to the epidemic, including the loss of money, employment, and aid from the government. However, due to this growth, Islamic Microfinance Institutions also known as IsMFIs have facilitated greater access to financial services and encouraged financial inclusion. This chapter aims to analyze the potential and problems that COVID-19 brings to Islamic Microfinance Institutions in Bangladesh. Islamic microfinance organizations in Bangladesh that are considered the most renowned are RDS and UPDS. In the realm of Islamic finance, both of these establishments are considered integral components. By carrying out cumulative disbursements, money deposits, and outstanding investments, they play a significant part in amassing the consumers and members of their authorized branches in the areas around the villages.

Despite this rise, the total number of past-due loans has climbed further. To reach borrowers affected by the pandemic and adapt to shifting social and economic conditions, Islamic Microfinance Institutions (IsMFIs) in Bangladesh need to adopt new communication strategies.

The present research aims to examine the Islamic Microfinance Institutions (IsMFIs) in Bangladesh, namely the RDS and UPDS. The investigation’s primary

emphasis will be on these two establishments. Upon reviewing the statistics, it is essential to remember that they are not transferable to other ISMFIs nationwide. It is also crucial to remember this point. The study's focus was limited to examining the challenges and possibilities arising from the COVID-19 pandemic. This study did not consider other variables that might impact how Bangladeshi lending and investment institutions operate. To prevent the COVID-19 pandemic, policymakers and other people in Bangladesh may want to explore offering grants or interest-free loans to ISMFIs. In order to maintain their competitive edge in dynamic marketplaces, international microfinance institutions (ISMFIs) must pursue innovation and provide digital financial services. The links that Islamic Microfinance Institutions in Bangladesh have with the government and other stakeholders in the country might be strengthened, enabling them to reap more advantages.

COVID-19, however, can provide Bangladesh's Islamic Microfinance Institutions (ISMFIs) with new possibilities and difficulties. This is a potential scenario. At this point, further research is required. Research may also examine the impact of natural catastrophes or political upheavals on the Islamic Microfinance Institutions (ISMFIs) in specific countries. Further investigation may be required on the initiatives and policies that promote Islamic financial institutions (ISMFIs) in Bangladesh.

## References

- Abdul Zalim, S. N. (2022). Performance measurement in Islamic microfinance institutions: Does it change social norms and values? *Qualitative Research in Financial Markets*, 14(2), 306–323. <https://doi.org/10.1108/QRFM-09-2020-0186>
- Abdullahi, A., & Othman, A. H. A. (2021). Financial inclusion enhancement through the adoption of Islamic microfinance in Nigeria. *International Journal of Ethics and Systems*, 37(3), 486–505. <https://doi.org/10.1108/IJOES-02-2021-0040>
- Abrar, A., Hasan, I., & Kabir, R. (2021). Finance-growth nexus and banking efficiency: The impact of microfinance institutions. *Journal of Economics and Business*, 114, 105975. <https://doi.org/10.1016/j.jeconbus.2020.105975>
- Afoukane, M., Utami, W., & Nugroho, L. (2021). Assessing the adaptability of Islamic microfinance loans to the needs of small enterprises in Indonesia. *Journal of Islamic Economics and Social Science (Jiess)*, 2(1), 9. <https://doi.org/10.22441/jiess.2021.v2i1.002>
- Ahmad, R. and Ahmad, H. (2021). The role of Islamic microfinance towards SDGs 2030 from poverty alleviation. *Islamic Economics Journal*, 7(2), 150. <https://doi.org/10.21111/iej.v7i2.7105>
- Ahmad, S., Aslam, E., Haq, S., & Billah, M. (2019). The role of *Musharakah* in the economic development of Tehsil Dargah, District Malakand, Khyber Pakhtunkhwa, Pakistan. *Islamic Banking and Finance Review*, 6, 80–97. <https://doi.org/10.32350/ibfr.2019.06.05>
- Ahmad, Z., & Rusdianto, R. (2020). Impact of transparency and accountability on trust and intention to donate cash waqf in Islamic microfinance institutions. *Shirkah Journal of Economics and Business*, 5(2), 197. <https://doi.org/10.22515/shirkah.v5i2.317>
- Ahmed, S., Islam, R., & Asheq, A. (2020). Prospective customers' behavioral intention towards Islamic microfinance services in Bangladesh. *Journal Institutions and Economics*, 13(2), 101–123. <https://doi.org/10.22452/ijie.vol13no2.4>
- Aisyah, E., Zuraidah, Z., & Maulayati, R. (2021). Risk mitigation of covid-19 pandemic in Baitul Maal Wat Tamwil. <https://doi.org/10.2991/assehr.k.210421.100>

- Akbar, T., & Siti-Nabiha, A. K. (2022). Objectives and measures of performance of Islamic microfinance banks in Indonesia: The stakeholders' perspectives. *ISRA International Journal of Islamic Finance*, 14(2), 124–140. <https://doi.org/10.1108/IJIF-11-2020-0231>
- Alam, M., Ali, M., Bhuiyan, A., Solaiman, M., & Rahman, M. (2020). The impact of the COVID-19 pandemic on the economic growth in Bangladesh: a conceptual review. *American Economic & Social Review*, 6(2), 1–12. <https://doi.org/10.46281/aesr.v6i2.844>
- Alaro, A. R., & Alalubosa, A. H. (2019). The potential of Shari'ah compliant microfinance in alleviating poverty in Nigeria: A lesson from Bangladesh. *International Journal of Islamic and Middle Eastern Finance and Management*, 12(1), 115–129. <https://doi.org/10.1108/IMEFM-01-2017-0021>
- Alawneh, A. (2022). Relationship between fiscal policy and Islamic finance: A case study of the Jordan Islamic bank. *International Journal of Asian Social Science*, 12(7), 249–263. <https://doi.org/10.55493/5007.v12i7.4545>
- Alhammadi, S. (2022). Analyzing the role of Islamic finance in Kuwait regarding sustainable economic development in the COVID-19 era. *Sustainability*, 14(2), 701. <https://doi.org/10.3390/su14020701>
- Amran, A., Mohamed, I., Yusuf, S., & Rozzani, N. (2019). Financial and social performances of Islamic microfinance service provider with mobile banking. *International Journal of Financial Research*, 10(5), 181. <https://doi.org/10.5430/ijfr.v10n5p181>
- Ansari, M., Hanif, N., & Ahmed, T. (2021). Factors affecting the acceptability of Islamic microfinance in an emerging economy. *Journal of Business and Social Review in Emerging Economies*, 7(4), 1011–1022. <https://doi.org/10.26710/jbsee.v7i4.2071>
- Anwar, M., Muafi, -, Widodo, W., & Suprihanto, J. (2023a). A consequence of psychological distress on performance achievement: A social exchange theory perspective. *Intangible Capital*, 19(2), 93. <https://doi.org/10.3926/ic.2128>
- Anwar, M., Muafi, -, Widodo, W., & Suprihanto, J. (2023b). Consequence of psychological distress on performance achievement: A social exchange theory perspective. *Intangible Capital*, 19(2), 93. <https://doi.org/10.3926/ic.2128>
- Aprianto, N. (2023). Economic development justice: the role of Zakat, Infaq, Shadaqah (ZIS) institutions in the COVID-19 pandemic era. *Mabsya Jurnal Manajemen Bisnis Syariah*, 5(1), 21–32. <https://doi.org/10.24090/mabsya.v5i1.8050>
- As-Salafiyah, A., & Kartikawati, D. (2022). Islamic microfinance as social finance in Indonesia. *Islamic Social Finance*, 2(1). <https://doi.org/10.58968/isf.v2i1.118>
- Astawa, I., Astara, I., Mudana, I., & Dwiatmadja, C. (2021). Managing sustainable microfinance institutions in the COVID-19 situation through revitalizing Balinese cultural identity. *QAS*, 22(184). <https://doi.org/10.47750/qas/22.184.17>
- Aziz, A., Iqbal, J., Murtza, M. H., Gill, S. A., & Cheema, I. Y. (2022). Effect of COVID-19 pandemic on women entrepreneurial sustainability: The role of Islamic microfinance institutions. *Journal of Economic and Administrative Sciences*. <https://doi.org/10.1108/jeas-08-2021-0166>
- Begum, H., Alam, A. S. A. F., Mia, M. A., Bhuiyan, F., & Ghani, A. B. A. (2019). Development of Islamic microfinance: A sustainable poverty reduction approach. *Journal of Economic and Administrative Sciences*, 35(3), 143–157. <https://doi.org/10.1108/jeas-01-2018-0007>
- Ben Salem, A., & Ben Abdelkader, I. (2023). Diversification and performance of microfinance institutions: Does the Islamic microfinance model matter? *International Journal of Islamic and Middle Eastern Finance and Management*. <https://doi.org/10.1108/IMEFM-01-2022-0031>
- Bernardi, F., Cozzani, M., & Zanasi, F. (2021). Social inequality and the risk of living in a nursing home: implications for the COVID-19 pandemic. *Genus*, 77(1). <https://doi.org/10.1186/s41118-021-00119-5>
- Demir, E., Bilgin, M., Karabulut, G., & Doker, A. (2020). The relationship between cryptocurrencies and the COVID-19 pandemic. *Eurasian Economic Review*, 10(3), 349–360. <https://doi.org/10.1007/s40822-020-00154-1>
- Dorofeev, M., & Grihan, M. (2021). Controversies of Islamic finance. *Digest Finance*, 26(1), 67–82. <https://doi.org/10.24891/df.26.1.67>

- Fan, Y., John, K., Liu, F., & Tamannid, L. (2019). Security design, incentives, and Islamic micro-finance: Cross country evidence. *Journal of International Financial Markets Institutions and Money*, 62, 264–280. <https://doi.org/10.1016/j.intfin.2019.08.002>
- Fersi, M., & Bougelbène, M. (2021). Financial and social efficiency analysis of Islamic micro-finance institutions. *International Journal of Emerging Markets*. <https://doi.org/10.1108/IJOEM-02-2020-0197>
- Fianto, B., Gan, C., & Hu, B. (2019). Financing from Islamic microfinance institutions: Evidence from Indonesia. *Agricultural Finance Review*, 79(5), 633–645. <https://doi.org/10.1108/afr-10-2018-0091>
- Fithria, A., Sholihin, M., Arief, U., & Anindita, A. (2021). Management ownership and the performance of Islamic microfinance institutions: A panel data analysis of Indonesian Islamic rural banks. *International Journal of Islamic and Middle Eastern Finance and Management*, 14(5), 950–966. <https://doi.org/10.1108/IMEFM-05-2020-0257>
- Fu, W., He, F., Bai, Y., An, X., Shi, Y., Han, J., & Wang, X. (2022). Risk factors of residual dizziness after successful treatment for benign paroxysmal positional vertigo in middle-aged and older adults. *Frontiers in Neurology*, 13. <https://doi.org/10.3389/fneur.2022.850088>
- Hair, J. F., & Fávero, L. P. (2019). Multilevel modeling for longitudinal data: Concepts and applications. *RAUSP Management Journal*, 54(4), 459–489. <https://doi.org/10.1108/RAUSP-04-2019-0059>
- Hassan, M., Alshater, M., Hasan, R., & Bhuiyan, A. (2021). Islamic microfinance: A bibliometric review. *Global Finance Journal*, 49, 100651. <https://doi.org/10.1016/j.gfj.2021.100651>
- Hidayat, S., Rafiki, A., & Nasution, M. (2021). Halal industry's response to a current and post-covid-19 landscape and lessons from the past. *Journal of Islamic Marketing*, 13(9), 1843–1857. <https://doi.org/10.1108/jima-06-2020-0180>
- Hossain, B. (2019). Deadweight loss in the interest-based and the interest-free (Islamic) micro-finance programs: a comparative analysis. *International Journal of Islamic Economics and Finance Studies*. <https://doi.org/10.25272/ijisef.509230>
- Hossain, M. (2021). COVID-19 impacts employment and livelihood of marginal people in Bangladesh: Lessons learned and the way forward. *South Asian Survey*, 28(1), 57–71. <https://doi.org/10.1177/0971523121995072>
- Hossain, M., Polas, M., Rahman, M., Islam, T., & Jamadar, Y. (2020). An exploration of the COVID-19 pandemic and its consequences on the FMCG industry in Bangladesh. *Journal of Management Info*, 7(3), 145–155. <https://doi.org/10.31580/jmi.v7i3.1484>
- Idris, S., Bahari, Z., & Ahmad, F. (2022). Short-run and long-run relationship of Islamic home financing in Malaysia: analysis on Islamic banks. *Jurnal Ekonomi Dan Bisnis Islam (Journal of Islamic Economics and Business)*, 8(2), 237–250. <https://doi.org/10.20473/jebis.v8i2.37530>
- Ismail, N., Aisyah, S. (2022). Islamic social finance: a bibliometric analysis. *Global Review of Islamic Economics and Business*, 9(2), 019. <https://doi.org/10.14421/grieb.2021.092-02>
- Karim, M., Shetu, S., & Sultana, R. (2021). COVID-19, liquidity and financial health: Empirical evidence from South Asian economy. *Asian Journal of Economics and Banking*, 5(3), 307–323. <https://doi.org/10.1108/ajeb-03-2021-0033>
- Kizza, J. (2021). Microfinance services and the clients' socio-economic well-being during the COVID-19 pandemic in Uganda. *East African Journal of Business and Economics*, 4(1), 93–105. <https://doi.org/10.37284/eajbe.4.1.510>
- Kuanova, L., Sagiyeva, R., & Shirazi, N. (2021). Islamic social finance: A literature review and future research directions. *Journal of Islamic Accounting and Business Research*, 12(5), 707–728. <https://doi.org/10.1108/jiabr-11-2020-0356>
- Lawhaishy, Z. B., & Othman, A. H. A. (2023). Introducing Islamic equity-based microfinance models for MSMEs in the State of Libya. *Qualitative Research in Financial Markets*, 15(1), 1–28. <https://doi.org/10.1108/QRFM-01-2021-0017>
- Ledhem, M., & Mekidiche, M. (2020). Economic growth and financial performance of Islamic banks: A camel approach. *Islamic Economic Studies*, 28(1), 47–62. <https://doi.org/10.1108/ies-05-2020-0016>

- Lwesya, F., & Mwakalobo, A. (2023). Frontiers in microfinance research for small and medium enterprises (SMEs) and microfinance institutions (MFIs): a bibliometric analysis. *Future Business Journal*, 9(1). <https://doi.org/10.1186/s43093-023-00195-3>
- Mohamed, T. S., & Elgammal, M. M. (2023). Credit risk in Islamic microfinance institutions: The role of women, groups, and rural borrowers. *Emerging Markets Review*, 54. <https://doi.org/10.1016/j.ememar.2022.100994>
- Mosteanu, N. (2019). Safety finance-a different approach-conventional versus Islamic. <https://doi.org/10.15224/978-1-63248-168-9-05>
- Mulyati, S., Fauziah, N., Singapurwoko, A., & Kartini, K. (2022). The performance of rural banks in Indonesia during the COVID-19 pandemic. *International Journal of Research in Business and Social Science* (2147–4478), 11(6), 300–306. <https://doi.org/10.20525/ijrbs.v11i6.1938>
- Mutamimah, M., Zaenudin, Z., & Bin Mislan Cokrohadisumarto, W. (2022). Risk management practices of Islamic microfinance institutions to improve their financial performance and sustainability: a study on Baitul Tamwil Muhammadiyah, Indonesia. *Qualitative Research in Financial Markets*. <https://doi.org/10.1108/QRFM-06-2021-0099>
- Nawawi, Z., Soemitra, A., & Dalimunthe, M. (2022). Women's economic empowerment through Sharia micro-finance institutions in Indonesia: Qualitative research. *Iqtishadia Jurnal Kajian Ekonomi Dan Bisnis Islam*, 15(2), 255. <https://doi.org/10.21043/iqtishadia.v15i2.15902>
- Nurasyiah, A. (2020). An empirical study of Islamic microfinance performance for low-income family: Maqashid al-sharia perspective. *Afebi Islamic Finance and Economic Review*, 3(01), 46. <https://doi.org/10.47312/aifer.v3i01.253>
- Onuka, I., & Oroboghae, O. (2022). The impact of the COVID-19 pandemic on microfinance bank customers in Nigeria. *Journal of Asian Business Strategy*, 12(1), 35–48. <https://doi.org/10.55493/5006.v12i1.4598>
- Peleş, T., Popescu, C., & Plesa, I. (2022). COVID-19 pandemic and the reaction of the Supreme Audit Institutions. Lessons learned at the end of the pandemic. *Valahian Journal of Economic Studies*, 13(1), 55–66. <https://doi.org/10.2478/vjes-2022-0006>
- Rafikov, I., & Akhmetova, E. (2020). Methodology of integrated knowledge in Islamic economics and finance: Collective ijthād. *Isra International Journal of Islamic Finance*, 12(1), 115–129. <https://doi.org/10.1108/ijif-02-2019-0034>
- Rahmawaty, A., Rokhman, W., Bawono, A., & Irkhami, N. (2021). Emotional intelligence, spiritual intelligence, and employee performance: the mediating role of communication competence. *International Journal of Business and Society*, 22(2), 734–752. <https://doi.org/10.33736/ijbs.3754.2021>
- Rokhman, W., & Abduh, M. (2019). Antecedents of SMEs' satisfaction and loyalty towards Islamic microfinance: Evidence from Central Java, Indonesia. *Journal of Islamic Marketing*. <https://doi.org/10.1108/JIMA-05-2018-0090>
- Rusydiana, A., Herindar, E., & Laila, N. (2022). The impact of COVID-19 on Islamic economics and finance industry: Text analytics using R. *Global Review of Islamic Economics and Business*, 9(2), 055. <https://doi.org/10.14421/grieb.2021.092-05>
- Salem, A., & Abdelkader, I. (2023). Diversification and performance of microfinance institutions: Does the Islamic microfinance model matter? *International Journal of Islamic and Middle Eastern Finance and Management*, 16(5), 975–995. <https://doi.org/10.1108/imefm-01-2022-0031>
- Setiawan, A., Yusoff, M. (2022). Islamic village development management: a systematic literature review. *Jurnal Ekonomi Syariah Teori Dan Terapan*, 9(4), 467–481. <https://doi.org/10.20473/vol9iss20224pp467-481>
- Shaik Mohammed, W., & Waheed, K. (2019). Interest-free microfinance in India: A case study of Sanghamam multistate cooperative credit society. *Journal of Islamic Accounting and Business Research*, 10(5), 695–709. <https://doi.org/10.1108/JIABR-11-2017-0176>
- Shaikh, S. A. (2020). Using Fintech in scaling up Islamic microfinance. *Journal of Islamic Accounting and Business Research*. <https://doi.org/10.1108/JIABR-10-2019-0198>



- Shammi, E. (2019). The practice of Islamic microfinance by different non-government organizations in Bangladesh: Empirical evidence. *Abc Research Alert*, 7(1), Bangladesh. <https://doi.org/10.18034/ra.v7i1.258>
- Shirazi, N., Kuanova, L., Ryskulov, A., & Mukusheva, A. (2021). The experience and the prospects of Islamic finance in Kazakhstan. *Qualitative Research in Financial Markets*, 14(3), 461–482. <https://doi.org/10.1108/qrfm-03-2020-0023>
- Shrestha, S., & Thapa, B. (2021). Determinants of repayment behavior of MFI clients in the context of COVID-19: A case study of Lalitpur district, Nepal. *Nepalese Journal of Insurance and Social Security*, 4(1), 19–33. <https://doi.org/10.3126/njiss.v4i1.42349>
- Sotnikov, O., Iasechko, M., Ларін, B., Ochkurenko, O., & Maksjuta, D. (2019). The model of a medium for the creation of electric hermetic screens of the radio-electronic means. *International Journal of Advanced Trends in Computer Science and Engineering*, 300–304. <https://doi.org/10.30534/ijatcse/2019/32822019>
- Sukmawati, D., & Maryanti, R. (2021). Development of education and economic circulation in supporting local potential as community empowerment efforts amid the COVID-19 pandemic. *Indonesian Journal of Multidisciplinary Research*, 1(2), 235–250. <https://doi.org/10.17509/ijomr.v1i2.37598>
- Trisnowati, Y., & Muditomo, A. (2021). Covid-19 and stock market reaction in Indonesia. *Journal of Accounting and Investment*, 22(1), 23–36. <https://doi.org/10.18196/jai.v22i1.8859>
- Uddin, M. N. (2020). Role of Islamic microfinance institutions for sustainable development goals in Bangladesh. *Journal of International Business and Management*, 1–12. <https://doi.org/10.37227/jibm-2020-64>
- Uddin, M. N., & Benabderrahmane, O. (2019). The effect of conventional and Islamic microfinance on poverty alleviation in Bangladesh microfinance institutions view project the challenges and critical success factors for the application of blue ocean strategy in Algerian SMEs view project. *Milev Journal of Research and Studies*, 5(2), 464–481. <https://www.researchgate.net/publication/338411598>
- Uddin, M. N., Hamdan, H., Kassim, S., Embi, N. A. C., & Saad, N. B. M. (2020). Role of Islamic microfinance institutions for sustainable development goals role of Islamic microfinance institutions for sustainable development goals in Bangladesh. *International Journal of Business and Management*, 3(1), 0–12. <https://doi.org/10.37227/jibm-2020-64>
- Uddin, M. N., Pramanik, A. H., Haque, A., & Hamdan, H. (2020b). Assessment of Islamic microfinance on poverty reduction in Bangladesh. *International Journal of Islamic Marketing and Branding*, 5(4), 326. <https://doi.org/10.1504/ijimb.2020.114402>
- Uddin, N., Hamdan, H., Embi, N., Kassim, S., & Saad, N. (2020). Governance structure of microfinance institutions: a comparison of models and its implication on social impact and poverty reduction. *Journal of Ibn Haldun Studies Ibn Haldun University*, 5(1), 95–118. <https://doi.org/10.36657/ihcd.2020.68>
- Uddin, N., Kassim, S., Hamdan, H., Bt, N., Saad, M., Azizan, N., & Embi, C. (2021). Green microfinance promoting sustainable development goals (SDGs) In Bangladesh. *Journal of Islamic Finance*, 10(1), 11–18.
- Umar, U., Baita, A., Haron, H., & Kabiru, S. (2021). The potential of Islamic social finance to alleviate poverty in the era of COVID-19: The moderating effect of ethical orientation. *International Journal of Islamic and Middle Eastern Finance and Management*, 15(2), 255–270. <https://doi.org/10.1108/imefm-07-2020-0371>
- Ülev, S., Savaşan, F., & Özdemir, M. (2022). Do Islamic microfinance institutions affect the socio-economic development of the beneficiaries? The evidence from Turkey. *International Journal of Ethics and Systems*. <https://doi.org/10.1108/IJOES-09-2021-0179>
- Wronka, C. (2021). Impact of COVID-19 on financial institutions: Navigating the global emerging patterns of financial crime. *Journal of Financial Crime*, 29(2), 476–490. <https://doi.org/10.1108/jfc-03-2021-0073>

- Yanti, T., & Fauziah, D. (2021). The effect of family income on stunting incidents in preschool children at Bogor City during the COVID-19 pandemic. *Indian Journal of Public Health Research & Development*. <https://doi.org/10.37506/ijphrd.v12i2.14167>
- Zheng, C. & Zhang, J. (2021). The impact of COVID-19 on the efficiency of microfinance institutions. *International Review of Economics & Finance*, 71, 407–423. <https://doi.org/10.1016/j.iref.2020.09.016>
- Zitouni, T., & Jedidia, K. (2022). Does Islamic microfinance contribute to economic empowerment in Tunisia?: A case study of Zitouna taken. *Journal of Business and Socio-Economic Development*, 2(1), 67–81. <https://doi.org/10.1108/jbsed-10-2021-0143>
- Zulpahmi, N., Nugroho, A., Sumardi, S., & Wibowo, B. (2022). Evaluation of awareness and perception of Islamic microfinance institutions and higher education institutions in Indonesia towards the implementation of sharia governance: Dyad's perspective. *International Journal of Professional Business Review*, 7(4), e0743. <https://doi.org/10.26668/businessreview/2022.v7i4.743>

**Md. Nazim Uddin** is a post-doctoral research fellow at International Islamic University Malaysia and a research fellow at Ankara University, Turkey. He is also an associate editor for Nature's Humanities and Social Sciences Communications. He is the author of several books, many book chapters, and peer-reviewed articles. His research interests, which include Microfinance, Social Finance, Green Finance and Banking, Corporate Governance, Sustainable Finance, and the delicate realms of Islamic Microfinance and Islamic Banking and Finance, are informed by this unique mix of theoretical and practical understanding.

**Ahasanul Haque** is a professor in the Department of Business Administration at International Islamic University Malaysia. He obtained his Ph.D. in marketing from the Graduate School of Management (AACSB), Universiti Putra Malaysia 2001. He published numerous books, book chapters, study modules, and research articles in internationally refereed indexed journals and many conference proceedings. He received several research awards for outstanding research. In addition, he is involved in many research grants locally and internationally and numerous consultancy projects such as World Bank Group, Telekom, Z-consulting, and others. He also serves as an editor-in-chief and an editorial board member of internationally indexed journals. His research interests cover the areas of retail marketing, Islamic marketing, digital marketing, international marketing, and consumer behavior.

**Zohurul Anis** is an associate professor at Management and Science University in Malaysia. He is enthusiastic about conducting research on new technologies in business, especially in social media marketing and management. He is passionate about solving complicated problems and is considered a proficient problem-solver who envisions both business and technical perspectives to develop workable solutions.



# *Tabayyun* Measures for Self-regulating Social Media Behaviour Among Muslim Consumers



Siti Haslina Md. Harizan and Shaik Abdullah Hassan Mydin

**Abstract** In an era characterised by globalised technology, the rapid dissemination of information raises concerns about verifying news, especially due to the escalating prevalence of fake information leading to discord. Despite Malaysia having a predominantly Muslim population, the surge in fake news complaints in the country highlights the necessity of better adhering to Islamic teachings. This study aims to develop self-regulatory measures, specifically with regard to social media, based on the concept of *tabayyun*. While existing research identifies the limited understanding of *tabayyun*'s operational aspects, this study emphasises the importance of investigating and proposing effective measures to regulate social media behaviour among Muslim consumers. *Tabayyun*, which is defined as critically assessing and verifying information prior to dissemination, has significant relevance in terms of combating false accusations and defamation in contemporary society. Indeed, this Arabic term underscores the need for careful scrutiny of information, thereby preventing sensationalism and ensuring information accuracy. An increasing interest in studying the concept of *tabayyun*, particularly in Islamic education and social media contexts, is evident. However, there remains a lack of empirical basis, prompting this study to propose effective *tabayyun* measures that align with Islamic principles for self-regulating social media behaviour among Muslim consumers. Utilising a qualitative research design that employs a sequential exploratory instrument development process, this study addresses the limited understanding of self-regulation behaviour from an Islamic perspective. Moreover, it suggests related measures encompassing technical mechanisms, ethical practices and internalised values. This study contributes to defining an operational understanding of *tabayyun* and has implications for future research, emphasising the need for specific platform-focused measurement items. It also underscores the role of *tabayyun* in ethical communication and guiding individuals in navigating

---

S.H.M. Harizan (✉) · S.A.H. Mydin

School of Distance Education, Universiti Sains Malaysia, 11800 Pulau Pinang, Malaysia

e-mail: [sitihaslina@usm.my](mailto:sitihaslina@usm.my)

challenges on social media. The findings suggest practical interventions for individuals, policymakers and industry players to foster responsible social media use that is aligned with Islamic principles. Future studies should explore additional demographic factors and evaluate the suggested measures' effectiveness over time, extending this study's impact beyond the Muslim community.

**Keywords** Muslim consumers · Measurement instrument · Self-regulating behaviour · Social media · *Tabayyun*

## Introduction

In the contemporary era of advanced globalisation, which is characterised by the widespread availability and penetration of sophisticated global technologies, it is easy to disseminate information. Moreover, people increasingly interact with the virtual world, which results in an abundance of news being obtained via various channels, such as newspapers, magazines and social media (e.g. WhatsApp, Facebook, Instagram and YouTube). The key issue in this regard is whether such information is easy to obtain and capable of being filtered and verified. This is important because, if a message or news item is fake, it can result in both enmity and discord.

Abiding by Islamic teachings is essential for all Muslims, who comprise more than half of the Malaysian population. However, the Malaysian Communications and Multimedia Commission (Malaysian Communications and Multimedia Commission, 2023) received 3285 complaints about content deemed to be fake news between 2020 and May 31, 2022. This figure reflected a spike in fake news complaints related to the COVID-19 pandemic in March 2022, which mostly involved impersonation with the intention to damage a person's reputation. This alarming figure reflects a situation worsened by people gossiping and shaming in an effort to gain popularity.

This situation indicates that people often forget that Allah instructs Muslims to be careful when seeking and examining evidence related to an accusation or matter concerning a person's identity. The manners and attitudes associated with *tabayyun* are emphasised so that people do not engage in defamation and avoid listening to or reading news based on shaming and harmful thinking. Thinking critically and carefully, not recklessly, before drawing conclusions reflects the morals and principles enshrined in the Qur'an and Hadith.

## Background to the Study

Ethics concerning social media use from an Islamic perspective has been a significant area of research interest in recent years, with studies examining the ethical and regulatory aspects of social media use in Muslim society. For example, Bunt

(2003) focused on the digital age's impact on Islam by discussing e-jihad, online fatwas and Islamic cyber environments, as well as the roles of digital technologies and social media platforms in shaping contemporary Islamic practices, while Shukor (2020) examined the approach of Malaysian laws in response to offensive content on the Internet, especially content that may fall within syariah criminal offences such as apostasy through the platform of social media, and the way materials related to religion are being monitored in developed countries. In addition, the concept of *tabayyun* may provide an alternative avenue for understanding and measuring the effectiveness of self-regulation in relation to social media use by providing a unique Islamic perspective on the matter. The essence of *tabayyun* is significant, particularly in any society where Muslims form part or most of the population.

*Tabayyun* entails a unique perspective rooted in Islamic teachings that can be leveraged to develop effective self-regulatory measures, particularly in terms of social media use. However, a study by Fathoni et al. (2019) showed that the understanding of *tabayyun* remains limited and that the concept is not fully realised in improving self-regulation among social media users. Although *tabayyun* has been defined and conceptualised in prior research (Fathoni et al., 2019; Md Harizan, 2023), studies have been limited when it comes to defining the concept in an operational manner. Furthermore, studies have rarely developed, tested or validated specific measurement tools for *tabayyun* (Fathoni et al., 2019), although the widespread application of *tabayyun* measurement tools is suitable for contemporary Muslim society. Therefore, the objective of this study is to investigate and propose *tabayyun* measures for self-regulating social media behaviour among Muslim consumers. The development of *tabayyun* indicators is essential to understanding self-regulated social media behaviour among Muslims.

## Literature Review

### *Tabayyun*

*Tabayyun* is defined as 'the behaviour of checking, criticising, and clarifying information that has not been validated and not rushing to spread the information' (Fathoni et al., 2019, p. 12). Indeed, *tabayyun* is an Arabic word related to checking the truth and validity of information. *Tabayyun* is also a very important issue in contemporary society, which is often bombarded with various false accusations and defamation. In fact, the concept of *tabayyun* can help every Muslim to be careful when receiving or listening to information by ensuring they avoid being caught up in the sensationalism of the information, as all news received should be scrutinised and the truth and accuracy of the information contained within it ascertained. In addition, *tabayyun* can help to prevent any agenda or bad consequence from happening, such as defamation, cheating or discrediting someone else based on lust or hatred. The command to comply with the concept of *tabayyun* is very

important because it helps people to avoid prejudice and oppressing those accused of wrongdoing without first checking the authenticity of the evidence according to Allah's word in Surah Hud, verse 113, which states:

And do not lean towards those who are unjust then (if you do so), the fire of hell will burn you, while you have no helper other than Allah. Then (because of your inclination) you will not get help.

Allah commands Muslims to research and determine the truth of news that is conveyed by anyone. The aim here is to avoid unwanted consequences from occurring, as stated in the Qur'an:

O you who believe! If a wicked person comes to you with news, then investigate (to determine) its truth, so that you do not befall a people with something undesirable because of your ignorance (about it) - so that you regret what you have done (Surah al-Hujurat, p. 6).

The verse above has been analysed by a number of *mufasiriin* (a figure of interpretation) who are *muktabar* (famous), including the following:

- Ibn Jarir explained that 'You should be *tabayyun* with the meaning of deferring information or news that reaches you until you are enlightened and convinced of its truth. Don't ever be foolish to accept it' (see Jami' al-Bayan fi Ta'wil Qur'an, 22/286).
- Ibn Kathir affirmed that Allah commanded Muslims to first establish the message of the wicked as a precaution so that no person judges with his speech, which can lead to lies or mistakes (see Tafsir Qur'an al-'Azim, 7/370).
- Sheikh al-Maraghi also stated that Allah has taught his servants to be noble in matters of religion and the world. As a result, when an ungodly person comes to tell something that is contrary to religious teachings, Muslims should not be credulous and should first research and examine the message before trusting it (see Tafsir al-Maraghi, 26/126).
- Syekh Ali al-Sobuni explained in his interpretation that 'If a wicked man comes to you who cannot be trusted with his truth and justice, with what he reports, then you should check the authenticity of his news. This is so that you don't judge or accuse a race when you are ignorant of the real facts. At that time, you will not regret your actions' (see Sofwah al-Tafasir, 3/216).
- Wahbah al-Zuhaili stated that Allah calls upon his people who believe to practice the following, 'When a wicked person comes to deliver news, it is better to find the truth about the news and not to be too quick to punish him and spread it for the fear of bad and unwanted things which might happen due to wrong decisions that will cause harm to others' (see al-Tafsir al-Munir, 26/227).

The Qur'an and Hadith not only emphasise the need for *tabayyun* but also highlight that failure to practice *tabayyun* can cause prejudice to occur within the community, which can result in disharmonious situations. Allah forbids Muslims from engaging in such an act via a verse in Qur'an:

O people who believe! Stay away from most conjectures (so that you do not conjecture the prohibited conjectures) because indeed some of those conjectures are sins; and do not spy or look for people's faults and shame; and do not curse the other half. Does one of you like to eat the flesh of his dead brother? (If that is the case of swearing) then of

course you are disgusted with him. (Therefore, obey the aforementioned prohibitions) and fear Allah; Verily, Allah is Accepting of repentance, and Most Merciful (Surah al-Hujurat, p. 12).

In explaining the verse above, Sheikh Abdul Rahman al-Sa'di said that 'Allah forbids prejudice against Muslims for such prejudice will cause gossip and slander' (see Tafsir al-Karim al-Rahman fi Tafsir Kalam al-Mannan, 1/801). Therefore, the need to be careful and practice *tabayyun* when receiving news should be taken seriously to ensure the truth prevails.

## ***Tabayyun in Social Media Use***

According to Islamic perspectives, self-regulating behaviour or *tabayyun* should always be observed when using social media, including when receiving news or messages, writing such information and conveying it to others.

### ***Tabayyun When Receiving News or Messages***

The morals and principles contained in the Qur'an teach people to always think well and to not be hasty when drawing conclusions based on a message. This was emphasised by Prophet Muhammad (peace be upon him) in a hadith narrated by Abu Hurairah (رضي الله عنه):

Allah's Messenger (ﷺ) said, 'Beware of suspicion, for it is the worst of false tales and don't look for the other's faults and don't spy and don't hate each other, and don't desert (cut your relations with) one another O Allah's slaves, be brothers!' (see Hadith No. 90, narrated by al-Bukhari, p. 6724).

First, a Muslim should check the news and practice *tabayyun* in relation to it. News or any information received should be filtered and its truth and accuracy ascertained to avoid any bad agenda and prevent negative things from happening, such as slandering, deceiving or discrediting someone else based on lust or hatred. In his interpretation, Imam Ibn Kathir stated the following:

Allah commanded that we really check news from wicked people by being careful so that there is no lying and confusion in it. Most of the exegetes mentioned the transmission of this verse to al-Walid bin 'Uqbah bin Abi Mu'ith when he was the messenger of the Messenger of Allah to collect zakat from Bani Mustaliq (see Tafsir Qur'an al- 'Azim, 7/476).

Moreover, Imam al-Syaukani explained:

What is meant by *tabayyun* is to examine carefully while what is meant by *tatsabbut*, (تثبت) which is to be careful and not hasty, to look with deep knowledge at an event and news that comes, until it becomes clear and bright for him (see Fath al-Qadir, 5/65).

Second, Muslims should not accept news from unrighteous people or non-authoritative news sources. In receiving information, Muslims look to those in authority to ensure that the information provided is true and accurate. This should serve to educate the community to always check the news against the right person or source. As Syeikh Ali al-Sobuni said:

If a wicked person whom cannot be trusted with his truth and justice comes and reports to you, then you should check the validity of the news, so that you do not impose punishment or misfortune on others by being ignorant of the true reality. At that time, you will not regret your actions (see *Sofwah al-Tafasir*, 3/216).

Third, it should not be made easy to spread news that is received arbitrarily, especially if it relates to the dignity of others. This is based on the hadith narrated by Abu Hurairah RA, who stated that ‘It is not one servant covering the shame of another servant, but Allah covering the shame of the first servant on the Day of Judgment’ (Muslim Hadith, 2590). Sheikh Abdul Rahman al-Sa’di expanded on this:

Do not follow what you do not know. Even this matter depends on what is said and done. This is because every action and part of the body will be held accountable either in terms of action or conversation. And the purpose of its creation is to worship Allah and work for religion (see *Taisir al-Karim al-Rahman fi Tafsir Kalam al-Mannan*, 1/457).

Therefore, taking pains to validate anything that is being reported, including via social media, is demanded by Islam in order to avoid slander and enmity among people.

### ***Tabayyun When Delivering Messages***

The crisis of the present age has arguably been the rapid increase in defamation through news spread via social media, as everyone can now surf the Internet and receive news from around the world at any time. The sophistication of various communication tools provided by social media platforms such as WhatsApp, Facebook, X (formerly known as Twitter), Instagram and blogs enables the rapid dissemination of information and news, which can facilitate human relationships. Complying with the original Islamic rulings on the use of such tools is a must for each Muslim if the purpose and method of their usage is not to violate any syariah law: ‘The origin of something is a must’ (refer to *Al-Asybaah wal-Nazhair*, Al-Suyuthi, 1/133).

However, some people use social media to deliver news and to receive it without checking the validity of either the source or the information contained within it. Thus, the information or news obtained sometimes leads to disagreements with those who state the truth. The abundance of information available now has rendered it less capable of being filtered and verified. Unfortunately, any news or information obtained without filtering its truth and certainty can lead to enmity.

Therefore, valid news and accurate information enable a person to judge, think and, most importantly, act on a solid and righteous basis. Disagreements that occur as a result of decisions made based on unclear or inaccurate information or news could cause harm to relationships among family members and close relatives, in addition to causing the whole community live in a state of constant suspicion.

In a hadith narrated by Anas bin Malik (ؓ), it is stated that people should not rush to convey any news or message received without first knowing the truth and certainty of it: 'It is enough for a person to be called a liar when he talks about everything that he heard' (Muslim Hadith, 4). Thus, a person must be responsible and careful when delivering news in any form, either in speech or in written text via social media.

## Operationalisation of the *Tabayyun* Concept

There has been increasing interest in studying the concept of *tabayyun* in recent years, particularly in the Islamic education and social media use contexts. Masri and Warsodirejo (2023) demonstrated the concept of *tabayyun* to have three dimensions—namely *tabayyun* based on rationality, *tabayyun* with an objective attitude and *tabayyun* through empirical attitudes, which enhanced attitudes of religious moderation in relation to Islamic religious learning. Jenuri et al. (2021) proved that the practice of *tabayyun* when receiving information, providing valid information to others and ensuring the validity of words delivered both orally and in writing can be applied by Muslims in dealing with the hoax phenomenon, while Mohamad and Mat Isa (2021) asserted that the principles of *tabayyun* offer the solution to overcoming the challenges and strife related to social media within the context of present-day society. Nugroho et al. (2022) described the essence of *tabayyun* in Islamic education as shaping civilised people by providing guidance on responding to hoax news, including via social media. Yazid et al. (2023) examined the ethics of Islamic communication from the perspective of the Qur'an, finding that the Qur'an provides guidelines for ethical communication, including communication based on truth and patience, filtering information when receiving it (*tabayyun*), avoiding reproaching each other's differences and communicating with good manners, language and values.

Using a qualitative approach, Barokah et al. (2021) identified the opinions of commentators on verse 6 of Al-Hujurât in terms of dealing with fake news on social media, while Khasanah (2019) used a philosophical analysis to examine ethical values in relation to social media based on Al-Hujurât verses. Again based on Al-Hujurât verses, Khasanah (2019) described two important roles, namely the producer of news (communicator) and the reader of news (communicant). In another study, Purnama (2021) employed thematic interpretation using descriptive-analytical methods to understand the concept of *tabayyun* in order to address the dissemination of information via social media.

Attempts have also been made to understand *tabayyun* based on the notion of self-regulating behaviour, including extensive literature reviews (Noor, 2018; Walidah, 2017) and the exploration of its operational definition (Fathoni et al., 2019). In exploring and developing the *tabayyun* concept, Fathoni et al. (2019) identified four traits required to understand the concept—namely critical thinking, self-control, open-mindedness and information-seeking. *Tabayyun* was also found to be an important practice on the part of Muslim consumers in relation to social media consumption (Md Harizan, 2023), alongside other self-regulatory mechanisms or actions performed in the social media use context.

Although the *tabayyun* concept has been extensively reviewed, defined and conceptualised in prior research, there have been only limited attempts to establish an empirical basis for the operability of the concept (Fathoni et al., 2019). There also exists a need to construct effective measures for self-regulating social media behaviour that align with Islamic principles (Fathoni et al., 2019; Md Harizan, 2023). Therefore, the objective of this study is to investigate and propose *tabayyun* measures for self-regulating social media behaviour among Muslim consumers.

## Development of Measurement Tools

The study of *tabayyun* as a concept in the context of self-regulating behaviour in terms of social media use has important implications for understanding and addressing behaviours in relation to social media. Indeed, through developing reliable and valid measurement tools for *tabayyun*, researchers can gain a better understanding of the factors that contribute to individuals' self-regulating behaviours in the social media context. Such knowledge can inform interventions and strategies aimed at promoting healthier social media use and preventing social media misuse. Thus, in recent years, there has been growing interest in understanding self-regulating behaviour in the context of social media use. Researchers have explored the ways in which individuals regulate their behaviours and emotions while using social media, and they have developed various measurement tools to assess self-regulating behaviour in the context of social media use.

The five-item measure developed by Ahmad et al. is one such measurement tool that focuses on capturing key aspects of *tabayyun*, including individuals' reflections on their social media engagement and self-control. This measure provides a valuable assessment of individuals' self-regulating behaviours in the social media context. Additionally, the scale developed by Tutgun-Ünal and Deniz has been used for the measurement of social media addiction (Kocabıyık & Bacıoğlu, 2022). This scale consists of 41 items and measures four sub-dimensions: busyness, emotional state regulation, repetition and conflict (Çuhadar et al., 2022). However, it is important to note that, while these measurement tools provide valuable insights into individuals' self-regulating behaviours and social media addiction levels, there is a need for further research and development in this area. Researchers should refine and validate the available measurement tools, and they should also develop new



measures that capture the various dimensions of *tabayyun* more comprehensively. Moreover, previous studies have highlighted the importance of considering both individual characteristics and demographic factors when exploring self-regulating behaviours. For instance, Karadağ et al. used an adaptation of the phubbing measuring tool, the Bergen social media addiction scale, the boredom proneness scale-sort form, the self-control scale, and the adaptation conformity scale to assess the influence of social media addiction, boredom proneness, self-control, conformity and demographic factors on phubbing behaviour (Saloom & Veriantari, 2022). Overall, the literature suggests there to be growing interest in understanding and measuring self-regulating behaviour, specifically in the context of social media use. As existing measurement tools primarily focus on general aspects (Altuwairiqi et al., 2019), they provide some insight into self-regulating behaviours in terms of social media use but do not specifically capture the essential understanding of *tabayyun*.

## Methodology

This study adopted a qualitative research design by employing a sequential exploratory instrument development process. The process comprised several main phases—namely a series of qualitative interviews conducted with a small number of working adults, followed by the measurement instrument item generation. To develop the measurement instrument, the first three phases of the process suggested by Onwuegbuzie et al. (2010) were followed, in addition to considering the recommendations and empirical validation of Rowan and Wulff (2007) and Imran and Yusoff (2015).

### *Phase 1: Conceptualisation of the Construct of Interest*

Phase 1 involved the development of the construct of interest—*tabayyun* in relation to social media use—based on an extensive review of the literature. The initial dimensions of the construct were derived from Fathoni et al. (2019), who conceptualised *tabayyun* based on four aspects: critical thinking (seeking justification, filtering information, not easily believing, being sceptical), self-control (not directly spreading information, being careful, not being rash, holding back information until determining the truth), open-mindedness (being open-minded, being tolerate, being wise when receiving information) and information-seeking behaviour (clarifying, finding out, asking experts, exploring the information received). In addition to referring to the initial conceptualisation by Fathoni et al. (2019), the construct of interest was also considered in relation to the initial areas proposed by Md Harizan (2023), who explored self-regulating behaviour in terms of social media usage. These areas comprised technical mechanisms (techniques and methods used to facilitate the act of self-regulation when using social media, usually with the aid of applications, software or programs, such as authenticating information, blocking,

granting authority, checking security, performing adequate disposal and performing regular updates to applications), good ethical practices (filtering content and information, reflecting on the consequences before performing any action on social media, avoiding deviance activities) and exercising value-driven approaches, which can be achieved by internalising values based on religious teachings, observing the behaviours modelled by parents and society, and applying other contextual values. Based on the conceptualisation of the initial dimensions, the preliminarily defined construct was then developed, modified and contextually defined. Field experts specialised in the field of communication and marketing ethics were consulted during this process to establish the face validity of the construct.

### ***Phase 2: Identification and Description of Behaviour that Underlies the Construct Through Qualitative Interviews***

Phase 2 involved the identification of items for the construct. This was achieved by conducting qualitative interviews with a selected number of participants. More specifically, a series of 30 interviews, each lasting between 20 and 40 min, were conducted with Muslim working adults enrolled on part-time undergraduate programmes at a public university between November 2022 and January 2023. The objective was to identify factors that are important when operationalising the concept of *tabayyun* within the context of social media usage. Based on their capacity as mature, professional and married individuals, the participants were encouraged to express their opinions about the way their behaviours are regulated based on their understandings on *tabayyun* in the context of social media. The main question was ‘What are some examples of *tabayyun* or self-regulatory mechanisms, techniques or methods that you have practised when accessing, using and sharing content via social media for yourself, your family members and/or friends?’.

The interviews were recorded, transcribed verbatim and coded. The identification of items for the construct was performed by working through the interview transcripts and the coding to identify statements underlying the previously mentioned dimensions that define *tabayyun* within the social media context. The reliability of the procedure was ensured by having another researcher perform the coding of the transcribed interviews independently before an uninterrupted comparison was performed prior to a final consensus being obtained.

### ***Phase 3: Development of the Initial Measurement Instrument***

During phase 3, the outcome of the analysis from the previous phase was extracted. This revealed the underlying dimensions or components that made up the understanding of *tabayyun* based on the participants’ feedback. The next section presents the proposed measurement items for *tabayyun*.

## Results and Findings

In phase 1, the initial dimensions of the construct were derived from the literature, as mentioned in the preceding section. Based on the extracted understanding of the initial dimensions, the preliminarily defined construct was developed, modified and contextually defined. In phase 2, the items for the construct were identified and described based on the participants' understanding of *tabayyun* in the social media context and the mechanisms, techniques or methods they practised while accessing, using and sharing content via social media. The results are presented in Tables 1 and 2.

During phase 3, the outcome of the analysis was extracted. The results revealed that *tabayyun* can be formed by three factors or components: technical mechanisms, ethical practices and values. These components range from the continuum of explicit technical mechanisms to the more abstract or implicit nature of ethical practices and, finally, the embedded or internalised form of values. A total of 18 items were generated, comprising six items representing technical mechanisms, seven items underlying ethical practices and five items reflecting values (see Table 2).

## Discussion and Implications

Given the limited prior attempts to understand self-regulating behaviour based on Islamic perspectives and the absence of instruments that measure the extent of an individual's self-regulation in the context of social media use, this study sought to investigate and propose *tabayyun* measures for self-regulating social media behaviour among Muslim consumers. Based on the sequential exploratory instrument development process, the study identified measures that can help Muslim consumers to regulate their social media behaviour effectively. These measures may include technical mechanisms, good ethical practices and *tabayyun* values.

Practices related to *tabayyun* that entail the use of technical mechanisms can be used to validate the authenticity of information or news. Such mechanisms may include consulting similar news or information from other sources, verifying news or information with the original and trusted sources, identifying the original sender, consulting experts to confirm its authenticity and removing hoax news or messages from one's own display. In addition, ethical practices can be exercised, including not sharing newly received information or news straight away, waiting until the authenticity is known, reminding other people about hoaxes being spread around, being mindful before spreading any information or news, reflecting on the impact of posting or sharing any information or news to others, being critical when analysing it and constantly performing *tazkiyatun-nafs* (one of the methods used to purify the soul; see Arroisi & Puspita, 2020) to avoid dwelling on a hoax.

**Table 1** Examples of *tabayyun* mechanisms, techniques or methods used by the participants

Interview reference session	Examples of tabayyun mechanisms, techniques or methods practised by the participants
#1	I prioritise self-discipline by verifying news from multiple sources before sharing it to ensure its accuracy and trustworthiness
#2	Holding off on sharing newly received information allows me to investigate its authenticity, reflecting ethical practices. I'm cautious about the impact of spreading unverified news
#3	Consulting experts to validate the information received. Making sure it is authentic and trustable
#4	Reflecting on the impact on other people of posting or sharing news
#5	I am constantly fostering self-discipline and critical analysis of information
#6	Embark on an open-minded approach. Be critical when analysing information. Do not share news immediately after receiving it without proper verification. Have some checking mechanisms
#7	Remind others about the possibility of hoaxes via social media. Have some self-discipline and take precautions when receiving and sharing news
#8	Be respectful of others and considering cultural sensitivities before spreading any news. Always investigate the authenticity of information received
#9	I remove hoaxes from my own display. I make sure only accurate information is shared
#10	Be open-minded and verify news with trusted sources. Be empathetic to others
#11	I remind myself to be critical when analysing information, reflecting on the impact of my social media activities, always practising ethical practices and being self-disciplined in this age of misinformation
#12	Empathy for others. Practice an extra-precautious approach before spreading any information and self-reflecting on the impact of sharing something via social media
#13	I am always practising tazkiyatun-nafs and that helps me to decide on my actions via social media towards news that I receive. Having self-discipline and engaging in critical analysis are vital
#14	I buckle up my self-discipline and am mindful before spreading any information on social media
#15	I validate information by identifying the original sender and always take precautions before trusting news sources
#16	Reflecting on the impact of posting news is important when using social media. In addition, being empathetic to others and respectful of their cultural sensitivities are important too
#17	Be mindful and follow your instincts before sharing any news. The constant practice of religious teaching and purification of the heart and soul (tazkiyatun-nafs) may help with critical thinking when analysing information

(continued)

**Table 1** (continued)

Interview reference session	Examples of tabayyun mechanisms, techniques or methods practised by the participants
#18	I always verify news against the original source, ensuring its authenticity and validity
#19	Being cautious before spreading any information via social media, being mindful, having some self-control or discipline
#20	I appreciate the sense of being respectful to others when dealing with social media use and keep reminding people about the possibility of hoaxes
#21	I always delete hoaxes and do not share any information or news that I receive straight away. I tend not to be too eager to be the first to act on any postings on social media. Self-discipline is therefore extremely important
#22	Think of the impact of posting any news on social media. Additionally, being respectful of others is important
#23	Keep a clear and open mind, always. Be cautious and always perform a critical analysis before spreading information
#24	Be responsible, keep the conversation genuine and do not make things up when joining an online community
#25	Be respectful to others and consider their cultural aspects before sharing any newly received information
#26	Verifying news with trusted sources. Being mindful of hoaxes and always taking precautions when trusting news. Respecting other peoples' beliefs and culture
#27	Always think of the impact of posting any news on social media, be empathetic to others' feelings and mindful
#28	Think of the consequences of sharing the information on social media. Be ethical and critical
#29	I validate the information received by identifying the original sender, I am cautious when trusting news sources
#30	Being cautious before spreading any information. Having some self-control while navigating social media

While it is important to use technical mechanisms and good ethical practices when exercising *tabayyun*, such actions can also be accompanied by values, such as having self-discipline and tending not to be eager to be the first to share information or news, maintaining an open-minded state with regard to news or information received, being empathetic and respectful concerning other people and their cultural sensitivities, and always taking precautions regarding any news. Values are undeniably important due to being part of the component that underlies the ethics of Islamic communication (Yazid et al., 2023). While providing empirical elements to extend the earlier reviews of Noor (2018) and Walidah (2017) on the concept of self-regulating behaviour based on Islamic perspectives or *tabayyun*, this study also provides additional features for defining *tabayyun* to augment the earlier traits proposed by Fathoni et al. (2019). Moreover, it elaborates on

**Table 2** *Tabayyun* measurement items generated

Construct/dimension	Items
Technical mechanisms	When validating the authenticity of information/news:
	1. Perform a search for similar news/information via other sources
	2. Verify the news/information with its original source
	3. Verify the news/information with a trusted source
	4. Identify the original sender
	5. Consult experts to confirm the authenticity
Ethical practices	6. Remove hoaxes from own display
	1. Not sharing straight away any newly received information/news
	2. Hold the received information/news while investigating its authenticity
	3. Remind other people about hoaxes
	4. Be mindful before spreading any information/news
	5. Reflect on the impact of posting/sharing any information/news
	6. Be critical when analysing the information/news
7. Constantly perform tazkiyatun-nafs	
Values	1. Self-disciplined
	2. Open-minded
	3. Empathy for others
	4. Respectful of others and cultural sensitivities
	5. Precautions when trusting news

the findings of Md Harizan (2023) in understanding the notion of self-regulating behaviour in terms of social media consumption among consumers.

Based on the findings of this study, several implications for future research concerning the measurement of *tabayyun* as a form of self-regulating behaviour in the social media context can be derived. First, the study has addressed the need for the development and validation of measurement items that specifically capture the concept of *tabayyun* as a self-regulating behaviour in the social media context. However, these measurement items should go beyond general aspects of self-regulation in terms of social media and focus on platform-specific behaviours and strategies associated with *tabayyun* in the case of Facebook, X or Instagram. This study suggests that the application of *tabayyun*, particularly the dimensions of rationality, objective attitudes and empirical attitudes, can contribute to enhancing attitudes of religious moderation in Islamic religious learning. This implies that integrating the principles of *tabayyun* into Islamic education can foster a more balanced and moderate understanding of religious teachings. In addition, the findings indicate that practising *tabayyun*, for example, verifying information before sharing it and maintaining ethical communication both orally and in writing, can serve as an effective form of ethics when dealing with the hoax phenomenon. This has practical implications for individuals when it comes to navigating the challenges of misinformation and promoting a more responsible information-sharing culture.

This study also highlights the role of *tabayyun* in Islamic education as providing guidance on responding to hoax news, thereby contributing to shaping civilised individuals. This suggests that incorporating the principles of *tabayyun* into educational settings can have broader societal implications, fostering critical thinking and responsible behaviour among individuals. The examination of Islamic communication ethics from the perspective of the Qur'an underscores the importance of *tabayyun*. The Qur'an provides guidelines for communication based on truth, patience and filtering information through *tabayyun*. This implies that adhering to related principles can lead to ethical communication practices that are aligned with Islamic values. This study highlights the importance of ethical values derived from Al-Hujurât verses when dealing with fake news on social media. This suggests that integrating these ethical values into individuals' social media use can contribute to a more responsible and respectful online environment among Muslim consumers. Recognising the need for effective measures that align with Islamic principles, the present study proposes the investigation and development of *tabayyun* measures for self-regulating social media behaviour among Muslim consumers. This implies practical interventions and guidelines to help individuals navigate social media in a manner that is consistent with their values.

The implications of this study's findings also extend beyond the Muslim community. The proposed *tabayyun* measures can serve as a framework for individuals seeking to navigate social media responsibly and ethically. The findings extend the existing literature on social media regulation while assisting policymakers, industry players, social media platform owners and, ultimately, social media users in developing guidelines and practices that promote self-regulation in the context of social media use. This study also highlights the importance of measuring *tabayyun* as a self-regulating behaviour in the social media context. It provides evidence that *tabayyun*, as a self-regulating behaviour, is negatively associated with deviant behaviours with regard to social media use. The findings provide valuable insights into the development of measurement items for *tabayyun* as self-regulating behaviour in the social media context. This suggests that *tabayyun* plays a crucial role in regulating social media use and can potentially guard users against immoral acts while using social media platforms.

In terms of limitations, the item development process in this study only covered the first three phases suggested by Onwuegbuzie et al. (2010) when producing the initial measures of *tabayyun*. Further development and evaluation of these measures are strongly suggested to improve their robustness and construct validity as well as to identify other areas that could enhance the instrument, including perspectives from other groups such as teenagers and business owners.

Future studies should aim to better understand the relationship between *tabayyun* as a self-regulating behaviour and other factors, such as impulsivity, sensation seeking, inhibitory control and decision-making abilities. This will help to identify the underlying mechanisms of *tabayyun* and its association with self-regulation in the social media context. Furthermore, future studies should also explore the potential impacts of demographic factors on *tabayyun* as a self-regulating behaviour in terms of social media use. This will provide a more comprehensive understanding of the

factors that contribute to or inhibit *tabayyun* in this context. Future studies can also incorporate other countries' educational settings and learning cultures to increase the operational generalisability of the developed instrument. Moreover, they can explore the effectiveness and implementation of the measures by monitoring their impacts over time.

## Conclusions

The Qur'an and Hadith outline the moral principles that Muslims should abide by when it comes to having good manners, exercising sound judgement and not being careless in drawing conclusions about something. Failure to properly observe the concept and practices of *tabayyun* in relation to accepting and disseminating news or information may lead to misfortune for the individual and other people, potentially resulting in extreme self-regret in both this world and the hereafter. Therefore, when operating in this age of slander with the help of sophisticated information technologies, Muslims should be more careful and practice *tabayyun* before spreading, receiving or sharing any news or information, particularly when using social media.

## References

- Altuwairiqi, M., Kostoulas, T., Powell, G., & Ali, R. (2019). Problematic attachment to social media: Lived experience and emotions. *Advances in Intelligent Systems and Computing*, 931, 795–805.
- Arroisi, J., & Puspita, E. D. A. (2020). Soul restoration in Islamic tradition (Ibn Tufail's perspective of Tazkiyya an-Nafs model). *Jurnal Ushuluddin*, 28(2), 170.
- Bandura, A. (1991). Social cognitive theory of self-regulation. *Organizational Behavior and Human Decision Processes*, 50, 248–287.
- Barokah, S., Surbiantoro, E., & Khambali, K. (2021). Nilai-Nilai Pendidikan Dari Q.S Al-Hujarat Ayat 6 Tentang Perintah Tabayyun Dalam Menyikapi Berita Palsu Di Media Sosial. *Prosiding Pendidikan Agama Islam*, 7(2), 140–144
- Bunt, G. R. (2003). *Front matter. In Islam in the digital age: E-Jihad, online fatwas and cyber Islamic environments* (pp. iii–v). Pluto Press
- Chokalingam, L., Matthee, M., & Hattingh, M. J. (2019). It seems to have a hold on us: Social media self-regulation of students. *Communications in Computer and Information Science*, 963.
- Çuhadar, A., Er, Y., & Demirel, M. (2022). Relación del uso de redes sociales y gestión del ocio en estudiantes universitarios. *Apuntes Universitarios*, 12(4), 79–97.
- de la Fuente, J., Pachón-Basallo, M., Martínez-Vicente, J. M., Peralta-Sánchez, F. J., Garzón-Umerenkova, A., & Sander, P. (2022). Self- versus external-regulation behavior scale in different psychological contexts: A validation study. *Frontiers in Psychology*, 13.
- Fathoni, A. B., Verina, A., Rahmah, B., Paiqotul, N., & Ramdani, Z. (2019). Defining Tabayyun as a psychological attribute: Study of thematical exploration introduction section, in *Proceedings Book of International Summit on Science Technology and Humanity (ISETH2019)* (pp. 3–17).



- Imran, A., & Yusoff, R. (2015). Empirical validation of qualitative data: A mixed method approach. *International Journal of Economics and Financial Issues*, 5, 389–396.
- Jenuri, J., Suwarma, D. M., Parhan, M., Sartika, A., Ramdani, A. D., & Rahmah, F. A. (2021). Islamic communication ethics towards hoax phenomenon on social media. *Dialogia*, 19(2), 515–534.
- Khan, S. K., Ali, N., Khan, N. A., Ammara, U., & Anjum, N. (2020). Understanding multiscreening phenomenon for online shopping through perspective of self-regulation and dual process theory: Case of Chinese young generation. *Electronic Commerce Research and Applications*, 42.
- Khasanah, F. (2019). The qur'anic communication ethics in social media: The significance of Surah Al-Hujurat. *Epistemé*, 14(1), 151–167.
- Kocabiyik, O., & Donat Bacioğlu, S. (2022). Predictive roles of psychological resilience and coping skills on social media addiction. *Psikiyatride Güncel Yaklaşımlar*, 14(Ek 1), 137–146.
- Malaysian Communications and Multimedia Commission (2023, May 23). 3285 Fake news complaints lodged between 2020 and May 31, 2022—MCMC. <https://www.mcmc.gov.my/en/media/press-clippings/3285-fake-news-complaints-logged-between-2020-and>
- Masri, D., & Warsodirejo, P. P. (2023). The Implementation of the Tabayyun concept in learning Islam to enhance attitudes of religious moderation. *Al-Ishlah: Jurnal Pendidikan*, 15(1), 853–862.
- Md Harizan, S. H. (2023). Self-regulating behavior in social media use among Malaysian Muslim consumers. In V. Ramadani, B. Alserhan, L. Dana, J. Zeqiri, H. Terzi, & M. Bayirli, M. (Eds.), *Research on Islamic Business Concepts: Proceedings of the 13<sup>th</sup> Global Islamic Marketing Conference*, (pp. 37–53). Springer. <https://doi.org/10.1007/978-981-99-5118-5>
- Merkaš, M., Perić, K., & Žulec, A. (2021). Parent distraction with technology and child social competence during the COVID-19 pandemic: The role of parental emotional stability. *Journal of Family Communication*, 21(3).
- Mohamad, N. M., & Mat Isa, N. H. (2021). The Principles of Tabayyun according to the Qur'an: Solutions to the challenges and strife of the social-media. *Al-Burhān Journal of Qur'an and Sunnah Studies*, 6(1), 1–14.
- Noor, M. U. (2018). Penilaian kualitas informasi sebagai bentuk sikap tabayyun ketika menerima informasi di sosial media dan internet. *Jurnal Kajian Perpustakaan Dan Informasi*, 2, 33–40.
- Nugroho, R. S., 'Ulami', D., & Laksono, A. E. (2022). Konsep Tabayyun Untuk Menyikapi Media Sosial Dalam Kajian Pendidikan Islam. *Al Ulya: Jurnal Pendidikan Islam*, 7(2), 128–141.
- Onwuegbuzie, A. J., Bustamante, R. M., & Nelson, J. A. (2010). Mixed research as a tool for developing quantitative instruments. *Journal of Mixed Methods Research*, 4(1), 56–78.
- Rizal Faturohman Purnama. (2021). The concept of Tabayyūn in the Qur'ān: Efforts to address the spread of information on social media. *Jurnal At-Tibyan: Jurnal Ilmu Alqur'an Dan Tafsir*, 6(1), 40–58.
- Rowan, N., & Wulff, D. (2007). Using qualitative methods to inform scale development. *The Qualitative Report*, 12(3), 450–466.
- Saloom, G., & Veriantari, G. (2022). Faktor-Faktor Psikologis Perilaku Phubbing. *Jurnal Studia Insania*, 9(2), 152.
- Shukor, S. A. (2020). Social media: What should be regulated? *International Journal of Communication, Management and Humanities-Academic International Dialogue Conference*, 1(1), 94–100.
- Walidah, I. A. (2017). Tabayyun di era generasi millennial. *Living Hadis*, 2, 317–344.
- Yazid, M. R., Firdaus, M. R., & Hilmi, F. (2023). Wise using social media in the perspective of the Quran and Hadith. *Gunung Djati Conference Series*, 23, 718–722.

**Siti Haslina Md. Harizan** is a senior lecturer at the School of Distance Education, Universiti Sains Malaysia. She gained her Bachelor of Technology (Hons.) Information System (Minor in Corporate Management) from Universiti Teknologi PETRONAS, Malaysia, and later her MBA and Ph.D. from Universiti Sains Malaysia. Her research interests are Sustainable Consumption, Islamic Marketing, and Sustainability in Distance Education. She is currently a Chartered Islamic Marketer of the International Islamic Marketing Association (UK) and a life member of the Institute of Marketing Malaysia. She has published articles in indexed and peer-reviewed journals, proceedings, and book chapters.

**Shaik Abdullah Hassan Mydin** is an associate professor and a lecturer at the School of Distance Education, Universiti Sains Malaysia. He completed his Master's in Islamic Civilizational (M.A.) in the year 2000. He obtained a Doctor of Philosophy (Ph.D.) in Islamic Civilization from Universiti Sains Malaysia (2006). As an author of numerous research books and journal articles, his research areas are Muslim History, Islamic Studies, Religion, Civilizational Studies, Islamic Education, and Internalisation of Islamic Values.

# AI-Driven Chatbots in Halal Marketing Communication—Challenges and Opportunities



Muhammad Dharma Tuah Putra Nasution, Desi Astuti, Sri Rahayu, Yossie Rossanty, Ramadhan Harahap, and Ahmad Rafiki

**Abstract** The aim of this research is to explore the integration of AI-driven chatbots in the realm of halal marketing communications. This type of marketing communication is designed to resonate with Muslim consumers by integrating Islamic values, symbols, and messages into branding and promotional efforts. This study analysis encompasses an exploration of the challenges that could arise and capitalize on opportunities to engage and captivate the audience. Similarly, this paper sheds light on the areas of research that require further exploration and outlines the potential for future investigation regarding the utilization of AI-driven chatbots in the context of halal marketing. This study contributes to the expansion of current knowledge and could serve as a cornerstone for shaping future research agendas.

**Keywords** Chatbots · Halal market · Halal marketing communication · Challenges · Opportunities

---

M. D. T. P. Nasution · D. Astuti · S. Rahayu · Y. Rossanty · R. Harahap  
Department of Management, Universitas Pembangunan Panca Budi, Medan,  
North Sumatera, Indonesia  
e-mail: [dharmatuah@gmail.com](mailto:dharmatuah@gmail.com)

S. Rahayu  
e-mail: [srirahayu@dosen.pancabudi.ac.id](mailto:srirahayu@dosen.pancabudi.ac.id)

R. Harahap  
e-mail: [ramadhan.rahman41@dosen.pancabudi.ac.id](mailto:ramadhan.rahman41@dosen.pancabudi.ac.id)

A. Rafiki  
Faculty of Economics and Business, Universitas Medan Area, Medan, North Sumatera, Indonesia

## Introduction

Research on AI-driven chatbots in marketing communications holds great significance. Several studies have highlighted the potential of chatbots, which are powered by artificial intelligence (AI), to revolutionize marketing strategies and enhance customer-brand relationships (Cheng & Jiang, 2022; Lee et al., 2022; Mostafa & Kasamani, 2022; Nordheim et al., 2019; Wang & Zhang, 2012).

In their seminal work, Wang and Zhang (2012) offer a comprehensive analysis of the evolutionary trajectory of social commerce, highlighting its dynamic interplay with both digital and physical domains. The analysis emphasizes the swift growth of social commerce, propelled by technological advancements, specifically the integration of artificial intelligence (AI) into chatbot interfaces.

Expanding on this groundwork, Cheng and Jiang (2022) explore the strategic use of AI-driven chatbots in shaping brand-consumer relationships. This inquiry investigates into the symbiotic relationship between relationship marketing and consumer behavioral intentions in the digital realm. A noteworthy finding from this study underscores the crucial importance of AI-enabled personalized interactions in cultivating long-lasting customer-brand relationships.

As part of their empirical study, Lee et al. (2022) investigated whether strategies for building relationships between humans and AI in brand-consumer interactions work or not. This study investigates the factors that contribute to consumer satisfaction with AI chatbot-mediated communication and the subsequent outcomes. Their study highlights the potential of AI-driven chatbots to enhance purchase intent by establishing a connection between AI and emotional attachments.

Nordheim et al. (2019) provide a valuable contribution to the discourse with their meticulous inquiry, which is firmly grounded in the use of questionnaires. The objective of this study is to analyze the factors that promote trust in customer service chatbots. This investigation explores factors that extend beyond the conventional approach, uncovering nuances that are relevant to establishing trust in chatbot interactions. One noteworthy implication of their work is the concept of utilizing chatbots to enhance trust and cultivate robust customer-brand relationships.

In their comprehensive study, Mostafa and Kasamani (2022) conducted a thorough analysis of the factors that contribute to and result from the fundamental notion of initial trust in chatbots. Their scrutiny encompasses parameters such as compatibility, ease of use, performance expectancy, and social influence. These factors interact in a complex manner, shaping the fundamental basis of trust in interactions with chatbots. Collectively, these influential works provide a comprehensive understanding of the emerging field of AI chatbots in the context of social commerce and interactions between brands and consumers.

One of the key advantages of AI-driven chatbots in marketing communications is their capability to provide personalized and interactive experiences for customers. These chatbots engage in ongoing and customized “dialogs” with customers, enabling brands to cultivate deeper connections with their target audience (Cheng & Jiang, 2022).

Recent advancements in natural language processing and machine learning have empowered chatbots to effectively emulate human behavior and deliver prompt customer support, thereby enriching the overall purchasing experience (Lee & Park, 2022). Tailored interactions have the potential to elevate customer satisfaction and nurture brand loyalty (Haque et al., 2022). AI-powered chatbots provide organizations with an exceptional opportunity to consistently deliver uninterrupted customer care. As noted by Cheng and Jiang (2022), customers can interact with virtual marketing service agents at their convenience, thereby overcoming any limitations associated with human availability. The continual availability of customer service ensures swift and efficient handling of client inquiries and issues, ultimately resulting in heightened satisfaction and increased retention rates (Abdallah et al., 2022).

Beyond orchestrating personalized experiences and elevating customer support, AI-driven chatbots can also play a pivotal role in behavioral change interventions. Research has demonstrated the efficacy of chatbots in promoting physical activity, encouraging a healthy diet, and facilitating weight management (Oh et al., 2021). These chatbots are equipped to provide users with tailored recommendations, timely reminders, and motivational messages, thereby inspiring the adoption and maintenance of healthy behaviors (Zhang et al., 2020). By harnessing AI techniques, chatbots can dynamically adapt their communication style and content to cater to individual users, thereby enhancing the effectiveness of behavioral change interventions (Calvaresi et al., 2021).

In the realm of marketing communications, AI-driven chatbots can significantly contribute to the establishment of robust customer-brand relationships. Through continuous interactions, chatbots can gather valuable customer insights and data, empowering brands to gain a deeper understanding of customer preferences, needs, and behaviors (Cheng & Jiang, 2022). This wealth of data can then be harnessed to personalize marketing messages and customize offers, thereby further solidifying the brand-customer bond.

As the field of AI continues to advance, there is a foreseeable proliferation of AI-driven chatbots in marketing communications (Oh et al., 2021). However, further interdisciplinary research is imperative to enhance the relational and persuasive capabilities of chatbots while ensuring adherence to ethical principles (Zhang et al., 2020).

In the context of halal marketing, AI-driven chatbots can play a pivotal role in enhancing halal marketing communications. This domain pertains to the promotion and communication of brands and services that adhere to Islamic principles and guidelines (Alserhan, 2010a, 2010b; Azis et al., 2019; Islam et al., 2023). By seamlessly integrating AI technology with chatbots, businesses can refine their communication strategies and cater to the distinct needs and preferences of the halal market segment.

Hence, the central focus of this study is to comprehensively scrutinize the diverse array of challenges and opportunities that arise from the seamless integration of AI-driven chatbots within the landscape of halal marketing communications.

## Literature Review

### *Halal Global Market*

In recent years, the global halal market has experienced remarkable growth and expansion. The worldwide Muslim population has surged by an astonishing 1.6 billion people, with projections indicating an additional 20% growth (Bahri & Ali, 2022). This demographic surge has sparked a rising demand for halal products and services, contributing to the rapid expansion of the halal industry (Azam & Abdullah, 2020). The estimated value of the global market for halal goods and services is approximately USD 2.8 trillion (Statista, 2023).

A key catalyst driving this growth is the heightened global awareness and understanding of Islamic economic concepts and principles among Muslim consumers (Salindal, 2019). This increased awareness has manifested in the growing demand for halal products as Muslim consumers seek to align their purchases with religious tenets and practices. Additionally, the perception that halal food items offer superior hygiene and safety standards has played a role in the burgeoning halal market, appealing to consumers from diverse cultural backgrounds (Ali et al., 2018a, 2018b).

The substantial size and economic influence of the Muslim population further underpin the expansion of the halal market. With the Muslim population growing at a rate of 1.8% annually, their rising purchasing power has led to an escalating demand for halal products (Azam & Abdullah, 2020). Historically, halal products have been primarily consumed by Muslims, and the industry has undergone transformation, attracting non-Muslim consumers (Haque et al., 2015). Non-Muslim consumers recognize the value and quality of halal products (Nawawi et al., 2019). This evolution underscores that the halal market is no longer confined solely to Muslim demographics; rather, it is a global phenomenon (Alserhan et al., 2022).

To nurture the expansion of the halal industry, governments have taken proactive measures to establish halal hubs and institute processes for halal certification (Nasir et al., 2021). These initiatives create avenues for businesses to tap into the global halal market while ensuring the authenticity and credibility of halal products. Notably, the scope of the halal industry extends beyond food and food-related items. The industry has diversified to encompass pharmaceuticals, cosmetics, health products, toiletries, medical devices, and various services, including logistics, marketing, packaging, branding, and financing (Azam & Abdullah, 2020). This diversification has further propelled the growth and global reach of the halal industry.

## Marketing Communication

Marketing communication involves crafting, conveying, and exchanging messages of value for customers, clients, partners, and society (Varadarajan, 2010). It is a pivotal component of marketing, playing a crucial role in nurturing and guiding

customer relationships (Duncan & Moriarty, 1998). Marketing communication is closely intertwined with the principles of relationship marketing, a discipline dedicated to cultivating enduring customer relationships through effective communication (Herbst, 1999). This aspect of communication is crucial in facilitating exchanges and commitments between enterprises and their clientele (Grönroos, 2006).

Furthermore, marketing communication stands as a cornerstone of contemporary marketing practices, encompassing a spectrum of communication channels and strategies to inform, remind, and persuade existing and potential customers to patronize an organization by acquiring its offerings (Sipho, 2016). An additional concept that challenges conventional marketing communication paradigms is invisible communication, which denotes interactions between customers and organizations that occur without overt messages or traditional marketing endeavors (Finne & Strandvik, 2012).

The advancement of technology has also transformed marketing communication. New technologies allow organizations to implement unconventional forms of marketing communication that heavily rely on creativity, surprise, and effectiveness. These advancements have greatly expanded the possibilities of communicating with clients (Shankar et al., 2022). Moreover, the remarkable expansion of the internet has greatly bolstered the use of information and communication technologies for promoting products in both domestic and international markets (Shaltoni, 2017; Wojciechowski & Fichnová, 2022). Researchers have proposed various perspectives and models that assist in understanding the dimensions of marketing communication. The communication-based marketing model, developed by Duncan and Moriarty (1998), is an exemplary model. In their model, three crucial points where communication and marketing intersect are messages, stakeholders, and interactivity. According to Duncan and Moriarty (1998), interactive communication at the corporate, marketing, and marketing communication levels leads to the establishment of brand relationships. These relationships ultimately contribute to enhancing the brand's value. This emphasizes the significance of proficient communication in establishing and sustaining relationships with customers.

Majchrzak et al. (2019) presented a systematic approach to the quality management of marketing communication. They define the elements of marketing communication and distinguish the subsystem of marketing information. These elements include the source of marketing information, reality components, market objects, organizational units of the enterprise, marketing communication channels and tools, marketing information content, message, recipients' reactions, and qualitative changes in the market situation. Internal marketing communication occurs within the specific organizational culture of the company.

Muñiz and Schau (2005) examined the role of religiosity in brand communities, specifically focusing on the grassroots brand community centered on Apple Newton. They highlight the presence of supernatural, religious, and magical motifs in the narratives of the community, which invest the brand with powerful meanings and perpetuate the brand and the community. This study emphasizes the emotional and symbolic dimensions of marketing communication. Elrod and

Fortenberry (2020) stressed the importance of understanding the intricate interplay between different facets of marketing communication within health and medical contexts. They argued that healthcare institutions should possess a comprehensive grasp of fundamental marketing communication components and adopt a global perspective on communicative endeavors.

Heinonen and Strandvik (2005) explored the role of communication as a component of service value. They examine consumers' reactions to marketing communication related to different services and products through various media. The findings reveal differences in consumer responsiveness to different services and tangible products, emphasizing the crucial role of effective communication in influencing consumer perceptions and behaviors. In essence, these dimensions highlight the multifaceted nature of marketing communication and its pivotal function in nurturing relationships, shaping perceptions, and enhancing brand value.

## **Evolving Marketing Communication in the Global Context**

The realm of marketing communication has undergone a profound evolution on a global scale. Traditionally, marketing communication has primarily focused on persuasion and product sales (Duncan & Moriarty, 1998). However, the emergence of relationship marketing has led to a paradigm shift toward communication-based strategies that prioritize the cultivation and maintenance of customer relationships (Duncan & Moriarty, 1998). This shift is supported by the increasing interactivity between brands and consumers, a phenomenon made possible by technological advancements and research breakthroughs (Mulder, 2004). In this landscape, Integrated Marketing Communication (IMC) has emerged as a novel paradigm that emphasizes the integration of diverse communication elements and strategies (Prayitno, 2021). IMC places significant emphasis on the importance of collaboration, creativity, and globalization in creating exceptional customer value (Weinstein, 2020).

Cultural influences play a crucial role in marketing communication within the global market. The effectiveness of marketing communication strategies is significantly influenced by indigenous cultural frameworks and norms (Mohamad et al., 2021). For example, incorporating local cultural elements into marketing communication can enhance the perception of global brands in local markets (Mohamad et al., 2021). However, if global brands integrate highly symbolic local cultural attributes into their communication, it may not meet the expectations of local consumers, which could result in reduced acceptance of the brand (Li et al., 2020). Therefore, marketers must carefully consider cultural diversity and adjust their communication strategies accordingly (Ijabadeniyi et al., 2016).

The emergence of social media has had a significant impact on global trends in marketing communication. According to Alshoaibi (2021), global brands encounter a strategic quandary when determining whether to standardize or localize their communication approaches on social media platforms. The concept of



“glocalization” promotes the adoption of an international perspective by global brands while also considering local sensitivities. It highlights the importance of adapting communication strategies to match specific cultural contexts (Alshoaibi, 2021). Social media platforms provide global brands with the opportunity to engage with local communities and tailor their messaging to align with diverse cultural contexts. Furthermore, the global trajectory of marketing communication has been significantly impacted by the shift toward digital marketing. Digital marketing communication uses a wide array of online channels and tools to inform and engage customers (Madan & Rosca, 2022). This trend has been driven by the increasing globalization of markets, which compels companies to adapt to emerging market trends and revise their communication strategies accordingly. Another notable trend in marketing communication is the seamless integration of diverse communication channels and strategies. This strategy emphasizes the coordination and maintenance of consistent messages across various communication channels, encompassing both online and offline media (Mulder, 2004). Moreover, the incorporation of technological advancements, such as augmented reality (AR), enables prospective buyers to interact with properties in a more immersive and interactive fashion (Ibrahim et al., 2023). A noteworthy development in marketing communication pertains to the use of AI-powered chatbots (Lee et al., 2022).

A fundamental advantage of AI-driven chatbots in marketing communication lies in their ability to deliver personalized customer experiences. These chatbots can gather and analyze customer data to comprehend preferences and behaviors, enabling them to offer tailored recommendations and offers (Cheng & Jiang, 2022). Personalization has been demonstrated to positively influence customer engagement and satisfaction (Sundar & Marathe, 2010). Additionally, AI-driven chatbots can provide instant and easily accessible customer service, enabling customers to engage with brands at any time and from any location (Cheng & Jiang, 2022).

Similarly, AI-driven chatbots can elevate the quality of customers communication. They are capable of engaging in natural language conversations, comprehending customer inquiries, and providing pertinent and accurate information (Lee et al., 2022). Effective communication with chatbots can lead to increased customer satisfaction and a propensity to continue usage (Lee & Park, 2022). Moreover, chatbots can offer emotionally attuned and empathetic responses, thereby further enhancing the customer experience and fortifying the brand-customer relationship (Lee et al., 2022).

The use of AI-driven chatbots in marketing communication presents both efficiency and cost-effectiveness. Chatbots are equipped to handle a substantial volume of customer inquiries simultaneously, thereby diminishing the need for human customer service representatives (Tsai et al., 2021). This not only conserves time and resources but also ensures uniform and timely responses to customer queries. Furthermore, chatbots can be seamlessly integrated into various digital platforms, such as websites and messaging apps, making them conveniently accessible to customers (Cheng & Jiang, 2022).

However, it is imperative to acknowledge that the adoption of AI-driven chatbots in marketing communication is contingent on several factors. Elements such as the design and functionality of the chatbot, the degree of personalization and customization, and the caliber of communication with customers can influence customer attitudes and the acceptance of chatbots (Tsai et al., 2021; Lee & Park, 2022; Abdallah et al., 2022). Therefore, AI-driven chatbots are valuable tools for marketing communication. They enable personalized interactions, enhance communication quality, and provide efficient and accessible customer service. By leveraging the capabilities of AI, chatbots can help establish relationships between brands and customers, ultimately improving customer engagement and satisfaction.

## **Navigating Artificial Intelligence (AI): Unveiling Challenges and Opportunities in the Halal Market Landscape**

Artificial intelligence (AI) profoundly impacts the halal industry and enhances the experiences of the Muslim segment. However, there is currently a dearth of research on the application of AI specifically within the halal industry, including sectors such as tourism (Battour et al., 2022). Existing literature predominantly focuses on consumer-related studies, with limited exploration of the manufacturing and supply aspects of the halal food chain (Talib et al., 2016). Consequently, further investigations are imperative to delve into how AI can elevate customer service, bolster efficiency, and deliver personalized experiences within the halal industry (Battour et al., 2022). There are also challenges that need to be confronted to ensure the effective utilization of AI-driven chatbots within this halal context.

A challenge posed by AI-driven chatbots in the halal market pertains to the necessity of establishing trust and transparency. Trust is an indispensable component of any customer-business relationship, and its significance is heightened within the halal market, where consumers possess distinct prerequisites and anticipations concerning the halal status of products and services. Lockey et al. (2021) underscored the vulnerability experienced by domain experts in comprehending and rationalizing decisions executed by AI systems. In the halal market framework, it is imperative for chatbots to be equipped with the capability to elucidate and substantiate their recommendations or responses to customers, particularly about halal compliance. Transparency serves as a foundation for fostering trust and instilling confidence among consumers.

Another challenge revolves around the need for accurate and up-to-date information. The halal market operates under precise regulations and standards, necessitating AI-driven chatbots to have access to reliable and comprehensive information encompassing halal certification, ingredients, and processes.

Wirtz et al. (2019) emphasized the significance of system and data quality in the implementation of AI. In the context of the halal market, this translates into a prerequisite for chatbots to possess accurate and verified information, ensuring the delivery of dependable responses to customer inquiries and adherence to halal prerequisites.

Furthermore, considerations of culture and language are important within the halal market framework. Distinct cultures and languages may introduce specific nuances and requisites in relation to halal products and services. AI-driven chatbots must possess the ability to grasp and respond appropriately to cultural and linguistic divergences. Gunasekar et al. (2023) underscored the importance of customer satisfaction in AI-enabled products and the necessity to identify the attributes that contribute to satisfaction. In the context of the halal market, this signifies that chatbots should be adept at comprehending and addressing the distinct needs and preferences of customers hailing from diverse cultural backgrounds.

Among these challenges, AI also offers substantial prospects within the halal market. Within the realm of halal tourism, AI can serve as a guiding force for Muslim tourists in locating halal-friendly accommodations, restaurants, and attractions that align with their dietary and religious imperatives (Battour et al., 2022). By analyzing extensive volumes of data, AI algorithms can provide personalized recommendations and suggestions to Muslim tourists, ensuring that their travel plans are harmonious with halal principles.

During the staying phase of the tourism journey, AI-driven chatbots excel at delivering immediate and precise details about available halal food choices, prayer facilities, and other religious services at hotels and tourist destinations (Battour et al., 2022). This capability can contribute to the heightened comfort and confidence of Muslim tourists during their stay, as they are assured that their religious requirements are being thoughtfully addressed.

Chen et al. (2021) underscored the potential of AI chatbots in shaping online customer experience and overall customer satisfaction. By furnishing timely and accurate information, addressing customer inquiries, and offering personalized recommendations, chatbots can substantially elevate the holistic experience of the halal consumer market. This enhancement can cultivate amplified customer loyalty and foster positive word-of-mouth, thereby benefiting halal brands.

In the evaluation phase of the tourism journey, AI assumes a pivotal role in aggregating feedback and reviews from Muslim tourists. AI algorithms possess the capacity to analyze these reviews, identifying areas that warrant improvement and enhancements to elevate the halal tourism experience (Battour et al., 2022). This iterative feedback loop empowers providers in the tourism industry to gain a deeper understanding of Muslim tourists' needs and preferences, facilitating necessary adjustments to their offerings.

According to Cheng and Jiang (2022), AI-driven chatbot marketing efforts (CMEs) can pave the way for robust relationships between brands and customers. With ongoing and tailored “conversations,” chatbots serve as a platform for brands to engage with customers, understand their inclinations, and customize their

offerings accordingly. This tailoring holds particular significance within the halal market, catering to the distinctive requirements of Muslim consumers.

Moreover, AI-driven chatbots enhance accessibility. Cheng and Jiang (2022) emphasized how chatbots confer the ability for customers to access services round the clock and from any location. Within the context of the halal market, this accessibility bears heightened significance for consumers in pursuit of halal products and services. The application of halal food certification can also harness AI technologies to its advantage. Institutional theory offers a pertinent lens to comprehend the impetus behind the implementation of halal food certification, factoring in considerations such as governmental regulations, Muslim demands, and industry competition (Talib et al., 2016). AI can contribute to streamlining the certification process, ensuring that halal food products consistently adhere to requisite standards and regulations. This streamlined process engenders trust and confidence among Muslim consumers, ultimately fostering the wider adoption of halal food certification by companies.

AI-driven chatbots profoundly augment trustworthiness and reliability in the halal market. As illuminated by Cheng and Jiang (2022), chatbots possess the capacity to replicate natural language and effectively engage with customers. This aptitude to furnish accurate and uniform information substantially contributes to the cultivation of trust among consumers, who rely heavily on dependable sources to verify the alignment of products and services with halal benchmarks. AI-driven chatbots further contribute by providing continuous 24/7 customer support and expeditious order processing. Ahmad et al. (2022) underscored the pivotal role of digital transformation in revolutionizing industries, encompassing the notion of smart factories. AI-driven chatbots can contribute to this digital transformation by streamlining processes and enhancing customer experiences in the halal market.

## Methodology

To conduct a systematic literature review (SLR) on AI-driven halal marketing communication, a rigorous methodology was employed to ensure thorough coverage of pertinent studies. The methodology for this SLR involved several key steps, including the development of a comprehensive search strategy, careful selection of relevant studies, extraction of pertinent data from the selected studies, and synthesis of the findings.

First, the search strategy identified relevant articles from reputable sources, covering databases such as Scopus, Web of Science, and Google Scholar. Keywords such as “AI-driven halal marketing communication,” “halal tourism,” “halal certification,” “halal purchase intention,” and “halal branding” were used. The search also encompassed pertinent journals, including the *Journal of Islamic Marketing*, *Journal of International Food & Agribusiness Marketing*, and other journals focusing on the fields of business, marketing, and AI technologies.

The study selection process involved screening the identified articles to ensure their relevance to the topic by evaluating titles, abstracts, and keywords. Only high-quality, peer-reviewed articles from reputable journals were included in the review, whereas articles not directly addressing AI-driven halal marketing communication or not from credible sources were excluded.

The data extraction process systematically collected information from the chosen articles, including details about the research design, methodologies, AI technologies utilized, key findings, and implications for AI-driven halal marketing communication. This process ensured the capture of all pertinent information for analysis.

The synthesis of findings involved the analysis of the extracted data to identify common themes, trends, and gaps in the literature related to AI-driven halal marketing communication. This synthesis provides a comprehensive overview of the current state of research in this area, covering various aspects such as the role of AI in halal certification, halal purchase intention, halal branding, and halal-friendly tourism.

By adhering to this rigorous methodology, the SLR offered a thorough and evidence-based examination of AI-driven halal marketing communication, contributing to the advancement of knowledge in this significant and emerging field.

## Discussion

One pivotal element of halal marketing communications is the advancement of Islamic branding and marketing. Islamic branding encompasses the establishment of a global Islamic enterprise that is harmonious with Islamic principles and values (Alserhan, 2010a, 2010b; Jafari, 2014; Temporal, 2011). By integrating Islamic values and symbols into marketing communications, businesses can resonate with Muslim consumers who prioritize their religious convictions when making purchasing choices (Awan et al., 2015).

Another essential facet of halal marketing communication centers on cultivating a robust halal image for retail establishments. Notably, consumers exhibiting favorable perceptions of a store's halal image are more inclined to patronize it, underscoring the significance of retailers and marketers adopting halal marketing strategies and emphasizing halal imagery within retail spaces (Suki & Salleh, 2018).

In addition, the sphere of halal marketing communication extends to diverse sectors, including cosmetics and hygiene products (Akin & Okumuş, 2021). The use of halal marketing packages, incorporating components such as halal messages in communication content, has the potential to influence consumer perceptions and purchasing decisions (Ustaahmetoğlu, 2020). Marketing communication strategies play an indispensable role in crafting the brand identity of halal tourism destinations (Moshin et al., 2020).

Furthermore, consumers with affirmative attitudes toward halal products are inclined to exhibit heightened confidence in the halal authenticity of food items featuring the halal logo (Elseidi, 2018). Consequently, enhancing marketing communication strategies can contribute to cultivating optimistic attitudes related to safety and well-being, thereby bolstering consumer confidence in halal products. The global halal market, transcending its confines within the Muslim community, encompasses various sectors such as food, pharmaceuticals, cosmetics, health products, and services (Azam & Abdullah, 2020). This diversification of the industry underscores the necessity for adept marketing and communication strategies that cater to the multifaceted needs of Muslim consumers.

The escalating awareness and demand for halal goods and services among both Muslim and non-Muslim consumers accentuate the requirement for a comprehensive market approach (Hashom et al., 2020). Consequently, effective marketing communication emerges as a pivotal instrument for fostering awareness, educating consumers, and meeting the burgeoning demand for halal products and services.

In summary, the significance of halal marketing communication resides in its power to shape consumer attitudes, necessitating a comprehensive and focused strategy for communicating the halal attributes of products and services. By implementing adept marketing strategies and communication endeavors, businesses can effectively address the needs of Muslim consumers, amplify consumer confidence in halal products, and foster the expansion of the halal industry.

## **Challenges in the Deployment AI-Driven Chatbots for Halal Marketing Communication**

AI-driven chatbots present several challenges in the context of halal marketing communications. First, the use of chatbots in marketing efforts allows for continuous and customized dialogs with customers, providing new modes for brands to develop deeper relationships (Cheng & Jiang, 2022). In the context of halal marketing, it is crucial to ensure that the chatbot's responses and recommendations align with halal principles and guidelines (Bayirli et al., 2021). This requires careful programming and monitoring to avoid potential conflicts or misunderstandings. Second, anthropomorphizing AI chatbots can have unintended consequences in terms of risk aversion in financial decision-making (Cui, 2022). Anthropomorphized chatbots might influence consumers' attitudes toward risk, possibly leading to more cautious or risk-averse behavior. In the domain of halal marketing, where ethical and Sharia-compliant investment choices hold significance, it becomes imperative to analyze how the anthropomorphism of chatbots might influence consumers' perceptions of risk and their decision-making processes.

The integration of AI into B2B marketing, encompassing the use of chatbots, introduces technological complexities and accountability concerns (Keegan et al.,

2022). Negative encounters with AI solutions, including chatbots, can result in criticism and doubt regarding their efficacy and reliability. Within the context of halal marketing communications, it is of paramount importance to ensure the proper implementation of AI-driven chatbots, ensuring the delivery of accurate and trustworthy information to customers.

Additionally, accessibility is a pivotal feature of chatbot-based marketing endeavors (Cheng & Jiang, 2022). Chatbots provide customers with direct access to services at any given time and location. However, in the realm of halal marketing, it is vital to guarantee the inclusivity of the chatbot, catering to a diverse clientele, including individuals with specific dietary restrictions or preferences. The chatbot must possess the capacity to offer precise and pertinent information concerning halal products and services, effectively addressing the distinctive requirements of Muslim consumers.

To conclude, AI-driven chatbots within the context of halal marketing communications encounter challenges encompassing the need for alignment with halal principles, the management of anthropomorphism's impact on risk inclinations, the resolution of technological implementation hurdles, and the provision of accessible and accurate information to a varied customer base.

## **Opportunities for Leveraging AI-Driven Chatbots in Halal Marketing Communication**

AI-driven chatbots present a plethora of promising avenues in the realm of halal marketing communication. These chatbots function as a convenient and readily accessible digital communication channel for engaging consumers. They facilitate personalized interactions and deliver tailored messages and recommendations based on individual preferences and needs (Zhang et al., 2020). This high level of personalization enhances the customer experience, cultivating more robust relationships between brands and consumers (Cheng & Jiang, 2022). Operating around the clock, chatbots ensure immediate responses and customer support, which is a crucial aspect in the dynamic landscape of digital marketing (Rese et al., 2020).

AI-driven chatbots possess the potential to execute behavior change programs that promote halal products and services. They can be meticulously designed to comprehend individual characteristics and behavioral patterns, allowing for personalized interventions that adapt strategies according to contextual conditions and individual cognitive and emotional states over time (Zhang et al., 2020). By leveraging AI technology, chatbots effectively endorse halal offerings by furnishing pertinent information, addressing inquiries, and promptly resolving concerns in real-time (Ovuakporaye, 2022).

Furthermore, AI-driven chatbots play a pivotal role in establishing and nurturing enduring customer-brand relationships within the halal market. Through



ongoing and tailored “conversations,” chatbots engage customers in meaningful interactions, fostering a profound sense of connection and loyalty (Cheng & Jiang, 2022). These sophisticated chatbots also facilitate data collection and feedback acquisition from customers, enabling brands to attain deeper insights into their target audience and fine-tune their marketing strategies accordingly (Haleem et al., 2022).

In summary, AI-driven chatbots present opportunities for personalized communication, behavior change interventions, and relationship building in the context of halal marketing communications. By harnessing the computational power of AI, chatbots can deliver customized messages, provide instant support, and engage in ongoing dialogs with customers, ultimately enhancing the effectiveness of marketing efforts in the halal market.

## Conclusion

The significance of halal marketing communication stems from its ability to shape consumer perceptions and attitudes toward products and services, aligning them with Islamic principles. This necessitates a comprehensive and focused approach that encompasses aspects such as halal branding, the promotion of halal imagery across various sectors, and the cultivation of consumer confidence through effective communication strategies. With the global halal market expanding to include diverse sectors and catering to both Muslim and non-Muslim consumers, the demand for robust marketing strategies has intensified. Successful halal marketing communication not only fulfills this demand but also serves as an educational tool, raising awareness and driving growth within the halal industry. This holistic approach caters to the unique needs of consumers while reinforcing the paramount significance of halal values and attributes.

The integration of AI-driven chatbots into halal marketing communications introduces a set of challenges that warrant meticulous consideration and adept management. While these chatbots present avenues for personalized engagement and enhanced accessibility, their seamless deployment in the context of halal marketing hinges on effectively addressing concerns associated with upholding alignment with halal principles, navigating the intricate implications of anthropomorphization on risk perceptions, tackling the intricacies of technological implementation, and ensuring equitable accessibility across diverse consumer segments. A comprehensive approach is imperative to harness the advantages of AI-driven chatbots while upholding the ethical and cultural values intrinsic to the halal market.

AI-driven chatbots hold significant promise in the realm of halal marketing communication. These chatbots provide a convenient and personalized avenue for engaging with consumers, nurturing deeper brand connections, and delivering instantaneous support around the clock. By harnessing AI technology, these chatbots not only provide tailored recommendations but also can drive behavior



change initiatives aimed at promoting halal products and services. Moreover, their capacity to establish substantial customer-brand relationships through continuous dialogs and data collection underscores their importance in comprehending and catering to the diverse requirements of the halal market. Ultimately, the capabilities of AI-driven chatbots provide a dynamic avenue for elevating the effectiveness and reach of marketing endeavors related to halal products and services.

Moving forward, further research in the realm of halal marketing communication could delve into several intriguing avenues. First, exploring the impact of AI-driven chatbots on consumer behavior and decision-making within the halal market could provide valuable insights into how these technological advancements influence purchasing choices and brand loyalty. Additionally, investigating the cultural nuances and sensitivities that arise when integrating AI-driven chatbots into halal marketing communication would help ensure that these innovations are respectful of diverse religious and ethical considerations. Furthermore, delving into the long-term effects of AI chatbot interactions on consumer perceptions, trust-building, and loyalty in the halal context would shed light on the sustainability and effectiveness of such strategies. Lastly, understanding the potential ethical dilemmas that could arise from the increased use of AI-driven chatbots in halal marketing and devising strategies to mitigate these challenges would contribute to creating a responsible and culturally sensitive communication framework. These research directions hold the potential to enrich our understanding of the complex interplay between technology, culture, and marketing strategies in the evolving landscape of halal marketing.

## References

- Abdallah, W., Harraf, A., Mosusa, O., & Sartawi, A. (2022). Investigating factors impacting customer acceptance of artificial intelligence chatbot: banking sector of Kuwait. *International Journal of Applied Research in Management and Economics*, 5(4), 45–58.
- Ab Talib, M. S., Md. Sawari, S. S., Abdul Hamid, A. B., & AI Chin, T. (2016). Emerging Halal food market: An institutional theory of halal certificate implementation. *Management Research Review*, 39(9), 987–997 (2016)
- Ahmad, M. F., Husin, N. A. A., Ahmad, A. N. A., Abdullah, H., Wei, C. S., & Nawi, M. N. M. (2022). Digital transformation: An exploring barriers and challenges practice of artificial intelligence in manufacturing firms in Malaysia. *Journal of Advanced Research in Applied Sciences and Engineering Technology*, 29(1), 110–117.
- Ahmed, Z. U., Sam Al-Kwifi, O., Saiti, B., & Bin Othman, N. (2014). Consumer behavior dynamics of Chinese minorities. *Journal of Technology Management in China*, 9(1), 6–23.
- Akin, M. S., & Okumuş, A. (2021). Shaping the consumers' attitudes towards Halal food products in Turkey. *Journal of Islamic Marketing*, 12(6), 1081–1096.
- Alalwan, A. A., Dwivedi, Y. K., Rana, N. P., & Algharabat, R. (2018). Examining factors influencing Jordanian customers' intentions and adoption of internet banking: Extending UTAUT2 with risk. *Journal of Retailing and Consumer Services*, 40, 125–138.
- Ali, A., Ali, A., Xiaoling, G., Sherwani, M., & Hussain, S. (2018a). Expanding the theory of planned behaviour to predict Chinese Muslims halal meat purchase intention. *British Food Journal*, 120(1), 2–17.

- Ali, A., Xiaoling, G., Sherwani, M., & Ali, A. (2018b). Antecedents of consumers' Halal brand purchase intention: An integrated approach. *Management Decision*, 56(4), 715–735.
- Alserhan, B. A. (2010). Islamic branding: A conceptualization of related terms. *Journal of Brand Management*, 18, 34–49
- Alserhan, B. A. On Islamic branding: brands as good deeds. *Journal of Islamic Marketing*, 1(2), 101–106
- Alserhan, B. A., Zeqiri, J., Ramadani, V., & Dana, L. (2022). Halal Industry: Threats and barriers, in *Strategic Islamic Marketing: A Roadmap for Engaging Muslim Consumers* (pp. 7–10). Springer.
- Alshoaibi, M. (2021). Standardization or localization—Organizational communication on social media from a cultural perspective. 24–1, *I, المجلة المصرية لبحوث الأعلام*.
- Awan, H. M., Siddiquei, A. N., & Haider, Z. (2015). Factors affecting Halal purchase intention—evidence from Pakistan's Halal food sector. *Management Research Review*, 38(6), 640–660.
- Azam, M. S. E., & Abdullah, M. A. (2020). Global halal industry: Realities and opportunities. *International Journal of Islamic Business Ethics*, 5(1), 47–59.
- Aziz, A. A., Md Rahin, N., & Mohamed Asri, N. (2019). Halal advertising on Facebook: A case study of health and beauty products in Malaysia, in *Management of Shari'ah compliant businesses: Case studies on creation of sustainable value* (pp. 177–192).
- Bahri, E. S., & Ali, J. (2022). A measurement model of successful Halal industry. *Iqtishaduna*, 13(1), 23–34.
- Battour, M., Mady, K., Elsotouhy, M., Salaheldeen, M., Elbendary, I., Marie, M., & Elhabony, I. “Artificial intelligence applications in halal tourism to assist Muslim tourist journey”, In Proceedings of International Conference on Emerging Technologies and Intelligent Systems: ICETIS 2021 Volume 2 (pp. 861–872). Springer International Publishing, 2022.
- Bayirli, M., Alserhan, B., & Ramadani, V. (2021). History of Islamic marketing literature and research: A bibliometric analysis, in *Global Islamic Marketing Conference* (pp. 1–13). Springer.
- Calvaresi, D., Ibrahim, A., Calbimonte, J. P., Schegg, R., Fragniere, E., & Schumacher, M. (2021). The evolution of chatbots in tourism: A systematic literature review, in *Information and Communication Technologies in Tourism 2021: Proceedings of the ENTER 2021 eTourism Conference*, January 19–22, 2021 (pp. 3–16). Springer International Publishing.
- Chen, J. S., Le, T. T. Y., & Florence, D. (2021). Usability and responsiveness of artificial intelligence chatbot on online customer experience in e-retailing. *International Journal of Retail & Distribution Management*, 49(11), 1512–1531.
- Cheng, Y., & Jiang, H. (2022). Customer–brand relationship in the era of artificial intelligence: Understanding the role of chatbot marketing efforts. *Journal of Product & Brand Management*, 31(2), 252–264.
- Cui, Y. (2022). Sophia Sophia tell me more, which is the most risk-free plan of all? AI anthropomorphism and risk aversion in financial decision-making. *International Journal of Bank Marketing*, 40(6), 1133–1158 (2022)
- Duncan, T., & Moriarty, S. E. (1998). A communication-based marketing model for managing relationships. *Journal of Marketing*, 62(2), 1–13.
- Elrod, J. K., & Fortenberry, J. L. (2020). Reflecting on Marketing communications in health and medicine: Perspectives from Willis-Knighton health system: Understanding the big picture. *BMC Health Services Research*, 20(1), 1–4.
- Elseidi, R. (2018). Determinants of halal purchasing intentions: evidences from UK. *Journal of Islamic Marketing*, 9(1), 167–190.
- Finne, Å., & Strandvik, T. (2012). Invisible communication: A challenge to established marketing communication. *European Business Review*, 24(2), 120–133.
- Fuadi, N. F. Z., Bukhori, B., & Firdiyanti, S. I. (2022). Halal marketplace: the influence of attitude, subjective norms, and perceived behavior control on purchase intention of Muslim consumers. *Shirkah: Journal of Economics and Business*, 7(1), 100–112.
- Grönroos, C. (2006). On defining marketing: finding a new roadmap for marketing. *Marketing Theory*, 6(4), 395–417.

- Gunasekar, S., Ray, S., Dixit, S. K., & Pa, M. R. (2023). AI-enables product purchase on Amazon: What are the consumers saying? *Foresight*, 25(2), 185–193.
- Haleem, A., Javaid, M., Qadri, M. A., Singh, R. P., & Suman, R. (2022). Artificial intelligence (AI) applications for marketing: A literature-based study. *International Journal of Intelligent Networks*, 3, 119–132.
- Haque, A., Tarofder, A. K., Shamsuddoha, M., Nuruzzaman, M., Rahman, M. M., Abusharar, M. M., & Tor-Kadioglu, C. (2022). Integrated effects of marketing stimuli on customer loyalty in palestine grocery supply-chain: does satisfaction perform mediating role? in *Global Islamic Marketing Conference* (pp. 95–120). Springer.
- Haque, A., Sarwar, A., Yasmin, F., Tarofder, A. K., & Hossain, M. A. (2015). Non-Muslim consumers' perception toward purchasing halal food products in Malaysia. *Journal of Islamic Marketing*, 6(1), 133–147.
- Hashom, H., Ariffin, A. S., Sabar, R., & Ahmad, H. (2020). Halal-logistics value chain on firm performances: A conceptual framework. *International Journal on Food, Agriculture and Natural Resources*, 1(2), 8–14.
- Heinonen, K., & Strandvik, T. (2005). Communication as an element of service value. *International Journal of Service Industry Management*, 16(2), 186–198.
- Herbst, F. J. (1999). The influence of communication on an effective relationship marketing strategy for sport unions in the new millennium. *Communicare: Journal for Communication Sciences in Southern Africa*, 18(2), 53–80.
- Ibrahim, F. A., Boying, W., Abdul Rahim, N. S., Mohd Shafiei, M. W., & Zainol, N. Z. The influence of augmented reality on purchase intention in the housing industry. *Human Behavior and Emerging Technologies*, 1–11.
- Ijabadeniyi, A., Govender, J. P., & Veerasamy, D. (2016). Cultural diversity and its influence on the attitudes of Africans and Indians toward marketing communication: A South African perspective. *Journal of Economics and Behavioral Studies*, 8, 28–39.
- Islam, M. M., Ab Talib, M. S., & Muhamad, N. (2023). Developing theoretical lenses for upstream halal businesses. *Journal of Islamic Marketing*.
- Jafari, A. (2014). Islamic branding and marketing: Creating a global Islamic business. *Journal of Marketing Management*, 30(13–14), 1510–1513
- Johnson, R. D., Stone, D. L., & Lukaszewski, K. M. (2020). The benefits of eHRM and AI for talent acquisition. *Journal of Tourism Futures*, 7(1), 40–52.
- Muniz Jr, A. M., & Schau, H. J. (2005). Religiosity in the abandoned Apple Newton brand community. *Journal of Consumer Research*, 31(4), 737–747.
- Keegan, B. J., Dennehy, D., & Naudé, P. (2022). Implementing artificial intelligence in traditional B2B marketing practices: an activity theory perspective. *Information Systems Frontiers*, 1–15.
- Keller, K. L., & Lehmann, D. R. (2006). Brands and branding: Research findings and future priorities. *Marketing Science*, 25(6), 740–759.
- Lee, C. T., Pan, L. Y., & Hsieh, S. H. (2022). Artificial intelligent chatbots as brand promoters: A two-stage structural equation modeling-artificial neural network approach. *Internet Research*, 32(4), 1329–1356.
- Lee, M., & Park, J. S. (2022). Do parasocial relationships and the quality of communication with AI shopping chatbots determine middle-aged women consumers' continuance usage intentions? *Journal of Consumer Behaviour*, 21(4), 842–854.
- Li, D., Kreuzbauer, R., Chiu, C. Y., & Keh, H. T. (2020). Culturally polite communication: Enhancing the effectiveness of the localization strategy. *Journal of Cross-Cultural Psychology*, 51(1), 49–69.
- Lockey, S., Gillespie, N., Holm, D., & Someh, I. A. (2021). A review of trust in artificial intelligence: Challenges, vulnerabilities and future directions, in *Proceedings of the 54th Hawaii International Conference on System Sciences*.
- Madan, A., & Rosca, M. I. (2022). Current trends in digital marketing communication. *Journal of Marketing Research and Case Studies*, 1–13.

- Majchrzak, J., Chuda, A., Kalembe, A., & Weber, G. W. (2019). The concept of contradiction finding and classification in the field of marketing communication quality management”, in *International TRIZ Future Conference* (pp. 438–457). Springer.
- Mohamad, B., Widodo, S. T., Alarifi, G., Diekola, M. A., & Ismail, A. R. Cultural politeness: Developing a multiple perspectives paradigm in marketing communication, in *International Conference on Language Politeness* (pp. 29–37). Atlantis Press.
- Moshin, A., Brochado, A., & Rodrigues, H. (2020). Halal tourism is traveling fast: Community perceptions and implications. *Journal of Destination Marketing & Management*, 18, 100503.
- Mostafa, R. B., & Kasamani, T. (2022). Antecedents and consequences of chatbot initial trust. *European Journal of Marketing*, 56(6), 1748–1771.
- Mulder, D. (2004). The evolution of marketing communication: From selling to integration. *Communicare: Journal for Communication Sciences in Southern Africa*, 23(1), 220–237.
- Nasir, S., Zulfakar, M. H., & Rahmat, A. K. (2021). Determinants of preferred export logistics gateway in Malaysia halal product industry. *International Journal of Academic Research in Accounting Finance and Management Sciences*, 1(11).
- Nawawi, M., Abu-Hussin, M., Faid, M., Pauzi, N., Man, S., & Sabri, N. (2019). The emergence of halal food industry in non-muslim countries: A case study of Thailand. *Journal of Islamic Marketing*, 4(11), 917–931.
- Nordheim, C. B., Følstad, A., & Bjørkli, C. A. (2019). An initial model of trust in chatbots for customer service—Findings from a questionnaire study. *Interacting with Computers*, 31(3), 317–335.
- Oh, Y. J., Zhang, J., Fang, M. L., & Fukuoka, Y. (2021). A systematic review of artificial intelligence chatbots for promoting physical activity, healthy diet, and weight loss. *International Journal of Behavioral Nutrition and Physical Activity*, 18, 1–25.
- Ovuakporaye, K. (2022). The impact, comparison and usefulness of digital marketing communications tools on organizational profit maximization using Facebook. *Asian Journal of Research in Computer Science*, 13(4), 46–64.
- Pahlevi, R. W., & Nurcahyo, N. (2022). Systematic analysis of integrated marketing communication research. *Jurnal Manajemen Pemasaran*, 16(2).
- Prayitno, S. (2021). Komunikasi Pemasaran Global Terpadu: Tantangan di Era Digital. *CoverAge: Journal of Strategic Communication*, 12(1), 27–39.
- Rese, A., Ganster, L., & Baier, D. (2020). Chatbots in retailers’ customer communication: How to measure their acceptance? *Journal of Retailing and Consumer Services*, 56, 102176.
- Salindal, N. A. (2019). Halal certification compliance and its effects on companies’ innovative and market performance. *Journal of Islamic Marketing*, 10(2), 589–605.
- SHALTONI, A. M. (2017). From websites to social media: exploring the adoption of internet marketing in emerging industrial markets. *Journal of Business & Industrial Marketing*, 32(7), 1009–1019.
- Shankar, V., Grewal, D., Sunder, S., Fossen, B., Peters, K., & Agarwal, A. (2022). Digital marketing communication in global marketplaces: A review of extant research, future directions, and potential approaches. *International Journal of Research in Marketing*, 39(2), 541–565.
- Sipho, M. S. (2016). Planning of marketing communication strategies by car dealerships. *Problems and Perspectives in Management*, 14(4), 212–220.
- Statista. (2023). *Global Halal market*. Available at <https://www.statista.com/topics/4428/global-halal-market/#topicOverview>
- Mohd Suki, N., & Abang Salleh, A. S. (2018). Mediating effect of Halal image on Muslim consumers’ intention to patronize retail stores: Some insights from Malaysia. *Journal of Islamic Marketing*, 9(2), 338–355.
- Sundar, S. S., & Marathe, S. S. (2010). Personalization versus customization: The importance of agency, privacy, and power usage. *Human Communication Research*, 36(3), 298–322.
- Temporal, P. (2011). *Islamic branding and marketing: Creating a global Islamic business*. Wiley.
- Tsai, W. H. S., Liu, Y., & Chuan, C. H. (2021). How chatbots’ social presence communication enhances consumer engagement: The mediating role of parasocial interaction and dialogue. *Journal of Research in Interactive Marketing*, 15(3), 460–482.

- Ustaahmetoğlu, E. (2020). The influence of different advertisement messages and levels of religiosity on attitude and purchase intention. *International Journal of Islamic and Middle Eastern Finance and Management*, 13(2), 339–356.
- Varadarajan, R. (2010). Strategic marketing and marketing strategy: domain, definition, fundamental issues and foundational premises. *Journal of the Academy of Marketing Science*, 38, 119–140.
- Wang, C., & Zhang, P. (2012). The evolution of social commerce: The people, management, technology, and information dimensions. *Communications of the Association for Information Systems*, 31(1), 5.
- Weinstein, A. (2020). Creating superior customer value in the now economy. *Journal of Creating Value*, 6(1), 20–33.
- Wirtz, B. W., Weyerer, J. C., & Geyer, C. (2019). Artificial intelligence and the public sector—Applications and challenges. *International Journal of Public Administration*, 42(7), 596–615.
- Wojciechowski, Ł., & Fichnová, K. (2022). New technologies and ambient marketing communication. *Annales Universitatis Paedagogicae Cracoviensis Studia De Cultura*, 2(14), 22–46.
- Xie, J., & Shugan, S. M. (2001). Electronic tickets, smart cards, and online prepayments: When and how to advance sell. *Marketing Science*, 20(3), 219–243.
- Xie, T., Pentina, I., & Hancock, T. (2023). Friend, mentor, lover: Does chatbot engagement lead to psychological dependence? *Journal of Service Management*, 4(34), 806–828.
- Zhang, J., Oh, Y. J., Lange, P., Yu, Z., & Fukuoka, Y. (2020). Artificial intelligence chatbot behavior change model for designing artificial intelligence chatbots to promote physical activity and a healthy diet. *Journal of Medical Internet Research*, 22(9), e22845.