

Measuring Muslim Consumers' Decision to Patronize *Halal* Stores: Some Insights from Malaysia

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Abstract

Consumers' decision to patronize *halal* stores requires a high involvement among Muslims. This study aims to measure Muslim consumers' decision to patronize *halal* stores. Exploratory factor analysis was performed to test a model using a sample of 548 Muslim consumers in the city of Kuching, Sarawak Malaysia. Empirical results revealed that measurement items for attitude factor scored the highest reading in factor loadings and this makes it the largest contributor in explaining respondents' intention to patronize *halal* stores. Muslim consumers develop favourable attitude in patronizing stores that show high degree of *halal* images, feel very pleased to know that each item available in the store is a confirmed *halal* and decide to re-patronize the stores more often as they practicing the Islamic teaching by supporting Islamic-based retail shops. The main theoretical contribution relates to the inclusion of the *Halal* image dimension in connection to consumer behaviours in a single model. Direction for future research is also discussed.

Keywords: halal, intention, halal image, attitude, subject norm, perceived behavioural control

1 Introduction

Muslim population in the year of 2010 was estimated at 1.598 billion people (Hackett and Grim, 2012). The biggest crowd was seen to reside in Asia with 985.53 million people. Middle East and the northern continent of Africa with the strength of 317.07 million people, placed in the second most populated Muslim in the world. The third largest Muslim community lives in sub-Saharan Africa which is a home to 248.11 million people. Muslim markets are expanding and it is estimated that the annual world *halal* food trade exceeds USD150 billion (Riaz, 2007). Baker (2010) notified that by 2015 *halal* market is expected to reach USD2.1 trillion.

Preceding research like Bonne and Verbeke (2008); Regenstein *et al.* (2003a, 2003b) affirmed that religion do influence consumers' preferences in their daily purchasing activities. A source of reference to personal consumption and choice behaviour may come from religious group where a person is affiliated with (Siguaw &

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Simpson, 1997). Wilson (2012) added that the real need to explore Muslim consumer behaviour seems to be legitimate and widely opened as this is still a relatively new area. Furthermore, the study on *halal* is still in its infancy (Wilson & Liu, 2010). Drawing an attention to heightened Muslim purchasing power in retail businesses, this study aims to measure Muslim consumers' decision to patronize *halal* stores. The result of the study would contribute to enhance *halal* database which is to take effect as a key reference for future *halal* related studies. In that sense, a high degree of relevancy toward fostering *halal* variables in any future research can be anticipated.

2 Literature Review

2.1 Theory of Planned Behaviour

Theory of planned behaviour (TPB) presents dominant variables such as attitude toward the behaviour, subjective norm, and perceived behavioural control (Ajzen, 2005). This section describes the application of these variables on religion and *halal* issues.

2.1.1 Attitude

Attitude is defined as “the degree to which a person has a favourable or an unfavourable evaluation of a behaviour in question” (Ajzen, 1991, p. 188), envisages a person's behavioural intentions. Mukhtar and Butt (2012), Norazah (2014), and Shah Alam and Nazura (2011) disclosed that attitude hold a significant and positive effect on *halal* food purchasing intention that greater intention to purchase *halal* food products is to be drawn from consumers' positive attitude toward *halal* food. According to Baker (2011), attitude of the Muslim consumers is always justified by religion. In Salman and Siddiqui (2011), religious beliefs are significantly correlated to attitude toward *halal* food. Muslim consumers in Pakistan had demonstrated a strong positive attitude toward *halal* products (Mukhtar & Butt, 2012). Consistent with these results was the work of Wan Marhaini et al. (2008) who disclosed that attributes such as ingredients, certified *halal* logo, and ownership were found to hold significant relationship with consumers' attitude toward *halal* food.

2.1.2 Subjective Norm

Subjective norm is consumers' perception toward social normative push (Ajzen, 2005). Family members, friends, colleagues, teachers, and communities are examples of parties that may possibly produce the forces. There is very strong common belief that those who committed to their religious group are more liable to normative influences. This is true in a study on Muslim consumers in Iran by Hanzae and Lotfizadeh (2011) who revealed that Islamic norms do give some profound impact to family decision-making style. A study by Siddiqi (1992) implied that Muslims hold a strong social value which they commonly share with other members. For example, those who outlaw the Islamic teaching might try not to disclose their deeds to the public.

Similarly, Daneshpour (1998) acknowledged that Muslim families keep deep concern about integration and less attention to differentiation. The Islamic teaching, according to Barbara et al. (2003), forms the basis of community life. This was further supported by Baker (2011) who reported that Islam encourages people to interact, cooperate and do some collective actions so that they know each other. Many acts of worship in Islam, for example, are designed to instill a community spirit (eg. Friday and Eid prayers, Fasting, Hajj, Charity, and etc.).

2.1.3 Perceived Behavioural Control

Perceived behavioural control (PBC) refers to “people’s perception of the ease or difficulty of performing the behaviour of interest” (Ajzen, 1991, p. 183). Perceived behavioural control affects past experiences, expected barriers, and problems. Ajzen (2005) asserted that as opportunity arises, consumers need to maintain certain degree of actual control in order to grant themselves confidence in carrying out the behavioural intentions. A study carried out by Golnaz et al. (2010) on the non-Muslims’ awareness of *halal* principles suggested that perceived behavioural control (e.g. food safety, environmentally friendly, and fair trade) contribute to the behavioural intention of purchasing *halal* food products. A similar finding was reported in the research work of Shah Alam and Nazura (2011) that perceived behavioural control is an essential aspect to take into consideration before purchasing *halal* food. In this study, a significant relationship came out to exist between perceived behavioural control and the *halal* food purchasing intention. Indeed, Bonne et al. (2007) who found out that consumers’ perceived control over consuming the meat is significantly related to their intention to consume *halal* meat.

3 Methodology

Out of 580 sets of questionnaire randomly distributed among Muslim consumers in the city of Kuching, Sarawak Malaysia was selected based on area probability sampling and snowball sampling methods where proportionate decision was applied, 548 responses were usable and valid for further analysis. This sample size is adequate as it is supported the recommended value set by Comrey and Lee (1992), Hair et al. (2010), and Tabachnick and Fidell (2007).

The questionnaire is designed in three sections. Section A concerns about respondent’s background such as gender, religious faction, age, and education are recorded. In section B, respondents are expected to disclose their *halal* standard practice or approval by answering to the *halal* image statements. Finally, section C deals with the TPB’s variables such as attitude, subjective norm, and perceived behavioural control to patronize stores which show *halal* images.

All measurement items were adapted from Francis et al. (2004) and were measured on a five-point Likert scale of 1 (strongly disagree) to 5 (strongly agree). All items went through the process of modification and rephrasing in order to fit the context of Muslim's consumption behaviour. Completed data were processed and analyzed by utilizing Statistical Packages for Social Sciences (SPSS) for windows version 21. Several statistical methods such as descriptive statistics, exploratory factor analysis, and reliability analysis were used to perform data analysis.

3.1 Data Analysis

The demographic profiles for the 548 respondents are presented in Table 1. Sample is disseminated into 28.6% males and 71.4% females, and mostly (96%) participated by born Muslim respondents, followed by 4% Muslim convert. Respondents mainly are aged in-between 41 to 45 years old while the minimum number is in their age of 61 years old and above. Almost half of the respondents are degree holders (46.4%) and the rest (53.6%) hold lower education.

Table 1 Demographic profile of respondents

Characteristics	Frequency	Percentage
Gender		
Male	157	28.6
Female	391	71.4
Research faction		
Born Muslim	526	96.0
Muslim convert	22	4.0
Age		
21 – 25 years old	87	15.9
26 – 30 years old	84	15.3
31 – 35 years old	81	14.8
36 – 40 years old	90	16.4
41 – 45 years old	103	18.8
46 – 50 years old	53	9.7
51 – 55 years old	50	9.1
> 56 – 60 years old	5	0.9
Highest Level of Education		
Malaysian Education Certificate	154	28.1
Malaysian Higher Education Certificate	23	4.2
Diploma	117	21.4
Bachelor degree	239	43.6
Masters degree	14	2.6
PhD	1	0.2

3.2 Exploratory Factor Analysis

Exploratory factor analysis was performed “to describe the underlying structure of interrelationships among a large number of variables by defining a set of common underlying dimensions that are named as factors” (Tabachnick & Fidell, 2007, p.608). Maximum likelihood method with a varimax rotation was used to extract the theoretical

factors. Exploratory factor analysis was performed to each of the following variables: attitude (10 items), subjective norm (7 items), perceived behavioral control (10 items), and behavioural intention (11 items). Values of KMO (Kaiser-Meyer-Olkin) for all factors were greater than 0.60 while Bartlett's tests of sphericity were recorded steadily at $p < 0.0001$.

3.2.1 Attitude

Factor analysis was conducted to 10 items in the attitude toward patronizing *halal* stores. A single factor was generated where all items were retained and deemed fit to measure "attitude." Eigenvalue of this analysis recorded a figure greater than one which was read as 6.734 standing for 68.012% of the total variance explained (see Table 2). The Kaiser-Meyer-Olkin was valued at 0.925 and the Bartlett's test of sphericity score was significant at 0.000. In the anti-image correlation analysis all items were measured greater than 0.50. The communalities of the 10 items were above 0.5. Factor loadings in the "attitude" analysis revealed scores of 10 items spanning from 0.752 to 0.873. These numbers were all above the recommended threshold point (0.3). Table 4.13 lists the factor loadings of the items measuring respondents' attitude toward patronizing *halal* stores.

Table 2 Factor analysis for attitude

Items	Factor Loadings
<i>Attitude</i>	
It causes a lot of worry and concern for me that I check whether the items I am going to buy are all halal.	.873
Overall I think that patronizing halal stores is the right thing to do.	.849
Overall I think that patronizing halal stores is good practice.	.848
Overall I think that patronizing halal stores is pleasant.	.844
Overall I think that patronizing halal stores is beneficial.	.842
If I patronize stores that show high degree of halal images, I will feel that I am supporting Islamic-based retail shops.	.839
If I patronize stores that show high degree of halal images, I feel that I am doing something positive for myself.	.798
If the stores maintain high degree of halal images, I will patronize the stores more often.	.784
If I patronize stores that show high degree of halal images, I will feel that I am practicing the Islamic teaching.	.768
I feel very pleased to know that each item I buy is a confirmed halal.	.752
Eigenvalue	6.734
% of Variance Explained	68.012
Total Variance Explained	6.734
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.925
Bartlett's Test of Sphericity	4675.688
Significant	0.000

3.2.2 Subjective Norm

Factor analysis for subjective norm toward patronizing *halal* stores was executed based on seven items. A single factor was generated where all items were retained and deemed fit to measure “subjective norm.” Eigenvalue of this analysis recorded a figure greater than one which was read as 4.000. This had represented 58.564% of the total variance explained (see Table 3). The Kaiser-Meyer-Olkin was valued at 0.881 and the Bartlett’s test of sphericity result was significant at 0.000. In the anti-image correlation analysis all items were measured greater than 0.5. The communalities of this factor scored above 0.5. Factor loadings in the “subjective norm” analysis revealed scores of 7 items spanning from 0.630 to 0.811. These numbers were all above the recommended benchmark value (0.3). Table 4 shows the factor loadings of the items measuring respondents’ subjective norm toward patronizing *halal* stores.

Table 3 Factor analysis for subjective norm

Items	Factor Loadings
<i>Subjective Norm</i>	
It is expected of me that I patronize stores that display high degree of halal images.	.811
Doing what my work colleagues think I should do is important to me.	.809
The approval of my family toward shopping at stores that display high degree of halal images is important to me.	.789
My Muslim neighbors’ approval of my shopping at stores that display high degree of halal images is important to me.	.783
Doing what other Muslim consumers do is important to me.	.774
I feel under social pressure to shop at stores that display high degree of halal images.	.674
People who are important to me think that I should shop at stores that display high degree of halal images.	.630
Eigenvalue	4.000
% of Variance Explained	57.138
Total Variance Explained	4.000
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.875
Bartlett’s Test of Sphericity	1713.174
Significant	0.000

3.3.3 Perceived Behavioural Control

Factor analysis for 10 items in the perceived behavioural control toward patronizing *halal* stores was performed. All ten items were retained and deemed fit to measure the constructs with eigenvalue greater than one (i.e. 4.150), represented 41.504% of the

total variance explained (see Table 4). The Kaiser-Meyer-Olkin was valued at 0.858 and the Bartlett's test of sphericity score was significant at 0.000. Factor loadings of the items (i.e. spanning from 0.459 to 0.746) measuring respondents' perceived behavioural control toward patronizing *halal* stores.

Table 4 Factor analysis for perceived behavioural control

Items	Factor Loadings
<i>Perceived Behavioural Control</i>	
Stores that I have always visited put high concern about product safety.	.746
The presence of Islamic friendly workers/staffs makes my shopping more comfortable.	.721
I am confident that I can shop at stores that display high degree of halal images if I want to.	.718
The stores I visit carry items labelled with genuine halal logos.	.705
High composition of Muslim consumers shopping at the stores is an indication of halal compliant by those stores.	.693
Bad hygienic handling is causing me discomfort.	.644
I have low confidence toward non-Muslim store owners? commitment on abiding by halal compliance.	.620
Whether I shop at stores that display high degree of halal images is entirely up to me.	.546
For me to patronize stores that display high degree of halal images is easy.	.521
The presence of non-halal items in the stores is causing me discomfort.	.459
Eigenvalue	4.150
% of Variance Explained	41.504
Total Variance Explained	4.150
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.858
Bartlett's Test of Sphericity	1591.532
Significant	0.000

3.3.4 Reliability Analysis

Cronbach's Alpha reliability coefficient is used to measure the internal reliability of the questionnaire. Values of Cronbach's Alpha for each variable are illustrated in Table 5 of which all variables had reliability values of more than 0.70, ranged from 0.703 to 0.947, implying the questionnaire items are reliable to consistently measure the respective constructs.

Table 5 Reliability analysis

Variable	No. of Item	No. of Item Deleted	Cronbach's Alpha
Attitude	10	-	0.944
Subjective norm	7	-	0.851
Perceived behavioural control	10	-	0.796
Behavioural intention	7	1	0.854

4 Discussion and Conclusion

This study measured Muslim consumers' decision to patronize *halal* stores. Empirical results of exploratory factor analysis revealed that measurement items for attitude factor scored the highest reading in factor loadings and this makes it the largest contributor in explaining respondents' decision to patronize halal stores. Muslim consumers develop favourable attitude in patronizing stores that show high degree of *halal* images, feel very pleased to know that each item available in the store is a confirmed *halal* and decide to re-patronize the stores more often as they practicing the Islamic teaching by supporting Islamic-based retail shops. Likewise, Pan and Zinkhan (2006) stated that consumers' attitudes toward retail stores are important antecedent of shopping frequency and positively related to overall attitude toward shopping programs (Eastlick & Liu, 1997).

Next, in terms of subjective norm factor, Muslim consumers are likely to ask for information from others such as friends, neighbours, family members, colleagues, teachers, communities, and the like when making decision toward shopping at stores that display high degree of halal images. Sukato (2008) showed that family members and friends had the most impact to changing in men's buying patterns, while in Sweeney and Soutar (2001), social value was one of the factors that drive consumers' purchase attitude and behaviour. Furthermore, consumers' perceived behavioural control very much depend on past experiences of performing the behaviour and things that facilitate them to execute the actions. This include past experience in selecting retail format at shopping (Ardhanari et al., 2013). High composition of Muslim consumers shopping at the stores and the presence of Islamic friendly workers/staffs are an indication of halal compliant by those stores. This result is comparable to that of (Ajzen, 2005), Astuti and Martdianty (2012), Patney (2010).

This research study may further generate a new knowledge in understanding and tackling Muslim consumers' buying behaviour. As their sets of values and beliefs are properly developed based on the Quran and the hadith, they might be able to provide ideas on how are they going to associate consumption laws with the stores they intend to patronize. In order for marketing managers to increase store patronage, finding of the study suggests that managers should keep their concerns to developing a positive Muslim consumers' perception toward their stores. A comprehensive study on Muslim consumers' attitude, social outlook, and halal product availability may be a big help in establishing a more relevant marketing policies to anchor a better advertising campaigns, product pricing, merchandising displays, and consumers' safety, to name a few. On the contrary, ignoring consumers' belief in halal principle and values in halal consumption is not advisable as it might have a detrimental effect on store patronage. Promoting these beliefs and values to the communities is noteworthy to the marketing managers as it incites willingness to repurchase, revisit, or recommend the stores to others.

Besides, authority bodies such as Jabatan Kemajuan Islam Malaysia, local authorities, and other supporting agencies should work very closely with retailers to ensure that the stores' *halal* practice or policies do not mislead consumers and other stakeholders. It is recommended for future research to multiply of the coverage of sample selection as different nationalities would find differing attributes of attitude, subjective norm, and perceived behavioural control to patronize *halal* stores desirable. The results could be used for comparative purposes and to overcome the limits of generalizability in sample coverage.

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