

Marketing from Islamic Perspective: Some Cases from Muslim World, especially on Halal Business Activities in Malaysia and Bangladesh.

Dr. Md Golam Mohiuddin

Professor

Department of Management

Islamic University Kushtia, Bangladesh.

(Former Staff):University Technology Malaysia(UTM)

Email: islamicmanagement2010@gmail.com

1.Abstract: *The role of Marketing is critical to Modern Business so far as customer satisfaction is concerned. Marketing has been defined as the delivery of customer satisfaction at a profit (Kotler, 2007). Muslim Countries have great contribution to the world business and they are also welcoming and accommodating foreign companies with lucrative investments. In this process Shariah Issues in Marketing and Halal issues in Business are getting edge. Customers in the Muslim majority countries or from among the developed countries are now divided into two major segments – rational and emotional markets (Kartajaya & Sula, 2006). Majority of the companies in Malaysia are striving to go for Halal business and Shariah marketing practices. Customers' even the non-Muslim customers in Malaysia are posing positive attitude towards Halal concept and Halal food products, despite, new paradigm in emerging global issues on sustainability, environmental, food safety and animal welfare (Zainalabidin & Gulnaz, 2010). Halal Toyibbah issues have been a matter of concentration and consideration to the Malaysian Government and mass people in the country. Department of Standards Malaysia has constructed a Halal standard for foods viz., MS1500:2004 (Talib & Ali, 2008). JAKIM is working for Halal certification still facing problems with international recognition. Bangladesh is also a Muslim (Muslim 89.5%, Hindu 9.6%, other 0.9% (2004)) populace country with population 158,570,535 (July 2011 est.) where the growth is 1.566% (www.indexmundi.com, 2012). But there is not such awareness about Halal Business and Shariah Marketing. Unfortunately the research in this field is very insignificant. So this area needs an extensive research to develop Islamic Marketing as a Business Discipline and the possible outcomes of this research will help ensuring proper implementation of these senses in the real world.*

Key Words: *Islamic Marketing, Halal Business, Malaysia, Bangladesh.*

2. Introduction

Islam is derived from the Arabic root "Salema" which means peace, purity, submission and obedience. In the religious sense, Islam means submission to the will of Allah (God) and obedience to His law. Everything and every phenomenon in the world other than man is administered totally by Allah-made laws, i.e. they are obedient to Allah and submissive to His laws, they are in the State of Islam. Man possesses the qualities of intelligence and choice, thus he is invited to submit to the good will of Allah and obey His law, i.e. become a Muslim.

Kotler and Armstrong (2012) define marketing as a process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return.

In Islam every aspects of human life must be according to the will of Allah. So In Islam, Marketing is not confined with buying and selling or telling and getting profit or about goods and services under any business. All activities and transactions are considered as worship in Islam (Quran: 2: 30). Alhersan (2011) revealed that the concept of Islamic marketing can be understood in several ways. It can be seen as religion-based marketing, local Islamic marketing or international Islamic marketing. Each of these has its defining characteristics and implications. Closely related terms to Islamic marketing include 'Islamic market', 'non-Islamic market', 'Islamic products', and 'Islamic company'. Each one of these terms can also be understood in several ways. An Islamic market in general, e.g., can be divided into primary, secondary and emerging markets while non-Islamic markets market be defined as those where the target consumers adhere to religion other than Islam. An Islamic product could be one that is Shariah-compliant, produced in an Islamic country or produced by an Islamic company. An Islamic company could be one that specializes in producing Shariah-compliant products, is located in Islamic country, is owned by Muslims regardless of its location or is producing mainly for Islamic markets regardless of its ownership.

Islam teaches its followers to engage in a decent way of wealth acquisition and consumption. Especially the production and utilization of products and services must conform to the tenets of Shariah. This is explained in the following teachings of Holy Quran:

“O mankind! Eat of that which is lawful and good on the earth, and follow not the footsteps of Shaitan(Satan). Verily, he is to you an open enemy”(AlQuran-2:168).

It should be mentionable here that business and marketing so crucial that Allah (swt) destined Prophet Mohammad (saw) to be a successful business man before his prophetic life. The Holy Quran was revealed in a business environment economist Marshal opined – business life is not separated from religious transactions rather it is an integral part of our worship. In this way production, consumption, exchange, marketing and other involvement of life are considered as worship (Ibadah), if these are done as per guidance of Almighty. Business and Marketing now-a days inseparable part of every human being and religions have various impacts on the same, Gods vision to send human being as a vicegerent (Khalifatullah) so business, marketing consumption must be value based .

3. Statement of the Problem

Muslim consumers constitute approximately 20 percent of the world population which is 1.6 billion playing a vital role in recent marketing decision making in world’s giant companies of USA and Europe due to growing increasing purchasing power and their integration into globalizing consumerism (IkRan Eum, 2009).

In many cases companies are drawing attention of customers by providing attractive message and hiding actual information. This practice is unethical and not supported in Islam. It has also been observed that due to lack of Halal conception among the consumers most of the companies are taking this opportunity to sell without Halal seal even in many Muslim countries did not obligatory to use.

To make high profit, adulteration of foods and products is common scenario among the producers. This adulteration causes complex diseases in human body. But Islam directly forbids to make any harm to any human being even any living things on the earth. The Prophet (PBUH) said, *"None of you will have faith till he wishes for his (Muslim) brother what he likes for himself."* (Bukhari, 1: 12)

Al-Bureay (2005) stated that “There is a need to change the current marketing trends and introduce a new technique which constitutes marketing practice based on Islamic ethics and social culture.

As there is no research directly on Islamic marketing to fulfill the gap that is why researcher has taken an attempt to conduct the research on -Islamic Way of Marketing. Moreover, marketing is a discipline nowadays which has been well established by west and materialistic scholar. To find out the ethical, moral and divine message based marketing concept and practices this present study have justified its necessities.

Though conventional marketing is debited in conceptually and on Islamic marketing approaches as per researchers concerned no comprehensive study has been conducted. However, there is a general allegation that absence of exercise of Islamic norms, rules & values has created obstacles in the way of healthy growth of marketing culture. Again, it appears that the rise of healthy marketing, growth of sound marketing practices and evolution of marketing oriented society are the prerequisites for the success and revival of Muslim Ummah to face the challenges of 21st century in the new global order. But unfortunately it is a common phenomenon in most of the Muslim populated countries that marketing activities are sometimes corrupted by underweighting, misrepresentation of facts, black marketing, hoarding, overpricing, wrong advertising etc. Whereas there are ample guides available in Holy Qur'an and traditions of Prophet. Besides, Malaysia and Bangladesh have same scopes and goal with regard to many factors, like-religion, business, manpower issues and others. Academicians and practitioners are seeking guides from divine knowledge on Marketing, so that they can develop course curriculum on the same and guide the marker where there are lot of crisis.

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

prospects of marketing halal products in the world including food products, cosmetics, medical materials and household items for Muslims (Noraini Haji Idris, 2007). Moreover, halal food products halal has turn into a leading market in the world and become a global attention due to several issues associated with it. So there are enough reasons to conduct a study on-

Marketing from Islamic Perspective: Some Cases from Muslim World, especially on Halal Business Activities in Malaysia and Bangladesh.

4. Rationale of the Study

In this measure Prophet (SAW) said- A truthful businessman will be in the Day of Judgment with prophet, martyrs and good doers (Tirmidhi: 1209). Generally in many cases the interest of the manufacturers and consumers are not properly protected through proper specific rules and regulations. The manufacturers do not get fair prices for their products and the consumers do not get their necessities at fair prices. To protect the interest of the manufacturers and consumers government has to impose rules and regulations. The necessities of these rules and regulations are realized in this world very recent years ago, but our prophet (SAW) shows the right path regarding this in early fifteen hundred years ago.

On the other hand, Bangladeshi Businessmen are unconscious about Islamic principles of business. That is why, they hoard goods and hike the price of the products in the month of holy Ramadan without any reason, even this scenario also found before and after announcing national budget. As a result social instability occurred through this malfunction and finally social peace is destroyed. But Muslims are bound to propagate this peace system, so Islam itself is a mission which is based on marketing. So we have to know the Islamic way of marketing for the wellbeing of the whole human being. In fact it is our religious and social obligation.

5. Objectives of the Study

The main objective of the study is to articulate the Islamic way of marketing with regard to Halal Business in Malaysia and Bangladesh.

Other objectives are as follows:

- To explore critical elements of Islamic Marketing and Traditional Marketing

- To examine the various thoughts of Holy Qur'an, Sunnah and thinkers with regard to marketing
- To identify the barriers of the development and adoption of Islamic marketing system.
- To provide recommendations for Muslim populated countries to develop the enlightened Islamic way of marketing with regard to Halal Business especially for Malaysia and Bangladesh.

6. Background of the Study

Halal (lawful) and Haram (unlawful) concepts are inseparable parts of believer's life . Prophet said "*Halal earning is the pre-condition for accepting any Ibadah*". Now - a days business and marketing is considered as the life blood of economy. On the above ground marketing of Halal goods and services become essential part of the Muslims life. In this way now Halal brand is the symbol of special identity of acceptance of any products not only to the believer rather non-muslim customers are convinced about the quality, cost effectiveness and market segments of the same . This present study will concentrate specially on Halal (Lawful) business and marketing of Malaysia and Bangladesh due to the following background -

- These two nations have possessed same religious believe- Islam , which declares "*O you who believe! eat Halal and Tayeb.....*".
- Malaysia and Bangladesh is very closely linked in export import, manpower and industrial investment.
- This emerging discipline Islamic Marketing will accelerate to achieve the vision 2020 of Malaysia and Bangladesh to be emerging economic tiger.

7. Methodology

This study will be conducted on some Halal industry of Malaysia as well in Bangladesh particulars established Halal Business of some Muslim countries. This is a fundamental research based on primary and secondary data. Questionnaires of both open and close ended (5-point likert scale) will be used to collect relevant data from sources. Purposive sampling technique will be adopted to

collect data from primary sources. Sometimes content analysis may be needed to work with secondary data.

In primary source, this study will use the methods of analysis of

- Case study
- Focused interview
- Personal interview
- Mail questionnaire
- Telephonic survey and
- Field visit

In secondary source, the study will use the method of analysis of

- Quran , Hadith and other relevant books and journals.
- Policy paper/ guideline
- Annual/ periodical publications
- Human resource policy
- Internet

The respondents will consist of managers in the buying and selling organizations respectively in Halal industry as well their shopping malls from the both countries.

8. Review of Related Literatures

Quran and Hadith are the fundamentals source of this research. Moreover, to find out the research gap the researcher has reviewed related 4 Ph.D theses, 500 Research Articles, 6 Seminar Papers, 8 Research Reports, 100 books and several newspapers. Some of the reviews are presented here:

Saeed, Ahmad and Mukhtar (2001) developed a guideline for an ethical marketing culture in the area of international marketing, based on Islamic ethical framework. Based on the principles of ‘justice’ and ‘equity’ they have related the sources from the Quran and the Sunnah to the four

marketing mix of international marketing strategies which emphasizes on the ‘greater good of society’ verses ‘profit maximization’.

Ali (2005) found that in today’s business environment, where customers are generally informed and identify with and are sensitive to their cultural identity, executives may find it rewarding to serve vibrant Muslim segments in various parts of the world. For example, the Halal (lawful) industry has recently flourished and is worth about \$2.1 trillion (Campbell, 2008). In fact the Halal food market is expected to reach 20 percent of the global market by 2025 (Watts, 2009).

Kayed (2006) found in his PhD research that the philosophical differences between the Islamic and the prevailing Western world-views on the theoretical as well as the practical aspects of development are fundamental, to the point where they cannot be marginalized or reconciled and integrated within a standardized single development model. Furthermore, the lack of cultural sensitivity on the part of the Western model and its inability to account for variables specific to the Islamic cultural and institutional environment justify the need to search for an alternative Islamic model of entrepreneurship that best serves the ultimate goal of the Muslim nation (*ummah*), that is, realizing the state of well-being (*falah*).

Shafie (2006) revealed some issues include: 1) the consistency of definition of Halal on the aspect of slaughtering of animal; 2) the introduction of Halal logo by individual firms; 3) the issue of Arabic-sounded or Islamic signaled brand names; 4) the rampant display of Quranic verses (or the use of Arabic characters) by food operators to indirectly signal that the premise is operated by Muslim and that it offers halal foods; and 5) the lack of enforcement by the authorities with regards to the misuse of halal logos. In Malaysia , one of the main challenges to the government is in the area of enforcement. The lack of enforcement by the Department of Islamic Development’s (JAKIM) personnel in monitoring the usage of certified halal logo has caused the public to question the validity on some of the products or services claiming to be halal. Among the government ministries, there seem to be lack of assistance given to JAKIM by the Ministry of Domestic Trade and Consumer Affairs. The latter tend to focus on their own problems-those that not necessarily relate to halal products. JAKIM personnel lacked “enforcement” characters. It is thought that only with strict enforcement that the halal logo will be seen more “authoritative” . In addition, the lack of collaboration amongst the world’s halal- certification authorities has created

“doubts” amongst the Muslim consumers on the authenticity of the halal certification process. The speed of issuing halal logo is another challenge facing JAKIM. Currently JAKIM does not have a full-pledge research and development (or technical) unit which is able to process each halal application promptly. JAKIM or its state-subsidiary (note that each Malaysian state has its own Department of Religious Affairs) would need to get assistance from a third party to commission lab testing and analysis as well as to do an on site inspection. This third party normally involves food technologists, chemists or experts from local universities.

Javed (2007) found that Muslim identity has intensified more in recent time than before. According to one study, the west’s constant scrutiny of Muslims around the world, especially after the terrorist act of September 11, 2001, has agitated growing self-awareness among Muslims. Muslims became more conscious of recreating and redefining their religious and cultural identity. The 9.11 tragedy and its follow-up policies, which have been hostile against Muslims, became a main force for Muslims to keep their culture closed, intact, and unified within, maintaining the strongly-marked boundaries separating themselves from others.

Samad (2008) found that from the Islamic , market is a sacred institution . It is not a value free concept. Participating agents of markets, from the Islamic perspective, combine twin objectives: (i) maximum of profits/utility, i.e. welfare in this world and (ii) maximization of success in the world hereafter, i.e. achievement of paradise. Market in Islam accomplishes the dual objectives buyers and sellers engaged in , transactions over the bundles of goods and services. Participants are subject to “Shariah law” in their transaction of production and consumption. Muslim scholars such as Abu Yusuf , Al Ghazali, Ibn Taimiyah, and Ibn khaldun made pioneering contribution towards the development of market mechanisms long before the concepts relating to market and price determination with its concomitant implications for producers and consumers were developed by the so –called father of conventional economics- Adam Smith in the later part of the 18th century. From an historical retrospect, the whole of Europe was unaware of this concept.

Noordin et al. (2009) The global recognition of the Halal certification is a credit to the Halal industry in Malaysia. An efficient Halal certification is needed to support the reputable image of Malaysia as the Halal food producers. In line with this , Mohd Adly(2005) stated that the Malaysia government had allocated RM 10 million for the development and improvement of Halal product

and process, the acquisition of certifications and standards and also promotion of Halal products. This study has led to several important conclusions. In particular, Halal certification system seems to be of interest to the vast majority of Halal researchers. From the extensive literature review, the agencies and acts that related to Halal certification were identified. Specifically, eleven agencies and six Acts that were relevant to the Halal food control were identified. Besides, this study established the value chain of Halal certification in Malaysia. This finding is important to the future development of Halal Ecosystems in Malaysia. Further research effort may reuse and extend the value chain of Halal certification presented in this paper and the test of the suitability of this value chain within a different research context. It is suggested that the value chain of Halal certification may help the researcher to determine the potential improvement in the operational of Halal certification. The findings of Halal certification issues extend the findings of the previous researcher on the Halal certification. This finding suggested the new issue of Halal certification which is the Halal governance. Halal governance is considered problematic in the Halal certification system in Malaysia, but it may not be applicable to the other country. The reason that contributed to this problem is due to the segregation of authority between federal government and state government in the Parliamentary Democracy and Constitutional Monarchy systems implemented in Malaysia. Moreover it should be stressed that, the findings are limited to the Halal certification in Malaysia for food products category. Further research in this area is strongly recommended.

Nazlida and Mizerski (2010) revealed that Fatwa rulings in the area of social issues and economics have a known tendency to affect Muslim consumers' marketplace behaviour. Muslim consumers tend to acquire information on more controversial fatwa rulings through less formal sources compared to less controversial fatwa rulings. Several Clusters of Muslim consumers were found to have their sources of fatwa associated with the product category, gender of respondent, and religious orientation. The study found a lack of a systematic fatwa mechanism and categorization of fatwa in Malaysia. This study found that fatwa that have an effect on Muslim consumers tends to come from social and economic related areas. Muslim consumers motivation in following Islamic teachings (intrinsic vs extrinsic), and their gender, is associated with their reported sources for information.

Talib (2010) found that as Malaysia recognized as a modern Islamic country, it has the added advantage of becoming an important base for the production of Halal food (food suitable for muslim consumption). There is a growing global market for Halal food which is estimated to be RM 560 billion (US\$ 150 billion) per annum. However, some Halal food manufacturers have not complied with the regulations set by the Malaysian authorities even though they have been certified with the Halal logo from JAKIM. The commotion pertaining to this issue has been immense whereby the Muslim consumers in Malaysia have begun to question the effectiveness of current Halal orientation adopted by Malaysia's businesses. The finished food products made from Halal animals are no longer Halal if they have been contaminated by Haram products. Therefore, the Muslim community needs to know whether the additives, ingredients or finished foods contain any Haram substances. Different religions have different specifications on the food that their followers are allowed to consume. Islamic food practices are vital because of the strong connection with the well-being of the believers. The concept of Halal in Islam has very specific motives: to preserve the purity of religion, to safeguard the Islamic mentality, to preserve life, to safeguard property, to safeguard future generations and to maintain self respect and integrity.

Journal of Islamic Marketing published by Emerald is the first Islamic Marketing Journal whole over the world. This journal is publishing three issues per year from 2010 to till now. Emerald group have been published total nine(9)issues where near about 100 articles are produced. Besides review of books and some case studies also published. University academicians, author, researcher and practitioners from business and marketing areas are the major contributors of this journal. This journal is covered all of the Marketing issues in Islamic perspective and it is a prospective gate which is welcoming Islamic Marketing as an emerging discipline.

Alom and Haque (2011) showed that the roots of conventional marketing are secularism, value-neutral materialism, Social-Darwinism, Utilitarianism, and 'rational economic man' oriented. The spirits of these isms is selfishness, persuasion of profit, and want maximization. But in contrast, Islamic world-view comprises religious values, cultural values, and universal values which can be accepted and respected universally and can visualize a consumer oriented marketing culture which can ensure a balanced synthesis of both the material and the spiritual dimensions of life which emphasize to maximize the welfare of the world and the world hereafter and can establish fraternity and socio economic justice. That's why it is now essential to rethink about the current

marketing trends and practices as well as to introduce a new way which will constitute marketing practices based on Islamic values and ethics with the rules of moral philosophy (Robin and Reidenbac, 1987).

Zakaria and Talib (2010) found that focuses on Islamic culture, firms would be able to improve market sensing and processing of the information within the organization, which leads to a better response to customers' needs and wants. Ultimately, this leads to superior performance due to the competitive advantage gained by creating and maintaining relationship with customers. Furthermore, through a better understanding of the customers, market-oriented organizations also should be better able to monitor their competitors in the target market. When a firm understands the requirements of its customers and markets, it is able to defend against competitors' strategic moves. It is thus important that firms interested in *Halal* exporting that have not yet implemented an Islamic market-oriented culture should start to instill the elements. Building on the work of other scholars, most notably Homburg and Pflesser (2000), this study has proposed a market-oriented emphasis on Islamic cultural values, norms, and practices.

Syed, Rohani and Hisham (2011) found that religious Muslims in Shah Alam and Bangi area consider Islam as their source of reference and they spend moderately, as commanded by Allah in the Quran. This study confirms that religiosity acts as a full mediating role in the relationship between relative and contextual variables, and purchase behavior of Muslim consumers. It is true that in Islam the behaviour of a consumer is governed by religious injunctions. This is opposed to the assumption placed on consumption behavior in the conventional economics. The results reveal that the Islam religion has great influence on the purchase decision of Muslim consumers. This influence has formed a new behavior model of Muslim consumers. The findings also indicate that other factors like salary, age, etc. claimed as important by many conventional scholars displayed lower or almost non-impact on the purchase and consumption decision of Muslim consumers. For entrepreneurs whose countries are populated by majority Muslims, or who intends in penetrating the Muslim countries with their businesses should consider the element of religion in the development of products and in marketing activities. This includes developing a new product, promoting, pricing and placing as these are some of the main concerns of Muslim consumers today.

Osman M. Zain compiled “**Readings in Marketing: An Islamic perspective**”, Published by IIUM press, 2012 , is a good collection of papers on Marketing views from Islamic perspective. This reading has four different sections. Section-A explains the foundation for Islamic Marketing which is a Seminal paper that moves away from the societal Marketing Concept. Chapter-2 includes a model of Islamic Marketing segmentation.

Chapter-3 discloses the successful endeavour by McDonald’s the first Halal in Australia. The following chapter is contributed by Khaliq Ahmed and Micheal Dent that focuses on the Islamic banking brand performance among student. In same section-Ali Hadji khalifa and yusof Ismail focus on customer satisfaction toward Islamic Banking in Tunisia.

The section-C that pertains to product issues with philosophical model, Halal certification in Malaysia and Halal logo and finally corporate image from institutional approach which involves Islamic Banks in Malaysia.

Section-D contains four chapters that covered pricing, distributions, and promotional issues.

Prof. Dr Md Golam Mohiuddin edited -Readings “**On the way of Marketing : Concepts and Practices**”(2012) in a compilation of 25 papers on different issues and this articles are categorized on the following five(5) headings:

A)Basic Marketing issues.

B)Bangladesh perspective

C)Life and quality Marketing : Personal and International Approach

D)Ethical Marketing

E)Advertisement and Brand Marketing .

Each and every caption contains with good number of papers from where different issues of Marketing can be found in Islamic perspective.

Proceedings of 1st 2nd 3rd and 4th **Global Islamic marketing Conference** which are held respectively Dubai(2011), United Arab Emirate,(2012), Cairo(2013) and 4th Islamic Marketing will be held in Turkey(2013). This Conference proceeding, discussions, poster exhibitions and

others are the resourceful source of Halal business and Islamic Marketing. In different sessions of this conferences contains very important issues of local and Global Islamic Marketing issues. The success of these three international conferences builds up rational confidence to all concern about the prospect of Islamic Marketing. Papers from the various contemporary issues ensure the necessities and distinctness of Islam as a complete way of life.

Sharifah Zannierah et al. (2012) found that restaurant managers feel that Halal certification is very prevalent in the hospitality industry, as it promotes the importance of restaurant managers having knowledge of Muslim's dietary restrictions, sensitivity and religious practices; halal certification signifies that it has some attributes that make it unique and at the same time conforming to the Islamic dietary rules. Halal has always been relevant in the mainstream market with the significant growth of Muslim population. Not only that, Halal certification is making its mark among non-Muslims as well (Muhammad, 2007). The findings in this study have highlighted the marketing benefits gained in operating a Halal certified restaurant, and it is definitely an indication that the certificate is perceived to have an impact on customer trust and return visits. In order to remain competitive in the halal food service industry, it is imperative that restaurant managers consistently work towards promoting the Halal certification and Halal foods. It is indeed a long term investment as the awareness of Halal is developing rapidly. Infact, Halal certification covers not only religious needs but are also commercially and community based.

Jonathan (2010) revealed that the term "Islamic marketing" is still very new, and reflective of an emergent phenomenon which stretches across the Muslim world and beyond. It draws from established subject disciplines in Business and Management, but also reaches into areas of Islamic studies and other social sciences. Furthermore, its interest and applicability has garnered support from those regardless of any Islamic faith. As such, there are varying perspective and standpoints, which have raised discussions as to how this phenomenon should be defined and understood; and moving forward should be researched and served by practitioners. And so, Islamic marketing is definitely more than simply "meat and money" (Wilson and Liu, 2010). Muslims like any other consumer segment or sub-culture: love fashion, entertainment, cosmetics and holidays- but most importantly exhibit unique and identifiable homogenous traits. Also, it can be argued that emergent phenomena and global events point towards the study of Islamic marketing becoming a prerequisite for any truly global and forward thinking marketer. Furthermore, those Islamic

marketing paradigms are equally applicable both within and outside of the Muslim world. Not just because Muslims are culturally diverse and spread around the globe, but also because their philosophical and practical approaches points towards transferable concepts which afford sustained advantages and relevance to a wider non-Muslim audience.

Abdul Basir (2011) found that the integrity of Halal product is highly demanded by Muslim consumers worldwide. As there is no unified understanding on the Halal concept that meets universal standard, some countries may place different concern on the level of Halal integrity. Markets with high sensitivity on Halal issues might demand high level of Halal integrity to be integrated in the product. This scenario might force the exporting firms to adapt its marketing strategy so as to meet their expectation of Halal qualities and also to secure its halalness from any potential risk of cross-contaminations. Based on pilot survey with 51 Halal exporters, the study found that there is a significance influence of Halal integrity on product adaptation strategy. However, there is no significance difference on mean scores for Halal integrity and product adaptation strategy among product categories and market segments.

9. HALAL PRODUCT AND HALAL ISSUES IN MALAYSIA AND BANGLADESH PERSPECTIVE

Halal is no longer just purely religious issue. It is in the realm of business and trade, and it is becoming a global symbol for quality assurance and life style choice. The market for halal products worldwide has increased tremendously and it is consistent with the growing number of Muslims in the world. The number of Muslims in the year 2009 has mounted to 1657.6 million as compared to the year 2008 of 1627.61 million (Islamic Population Info, 2010).

Largest market for halal products is in Southeast Asia and the Middle East (Riaz, 2007) where there are high number of Muslim consumers. In fact, non-Muslim countries also began to show interest in the market for halal products such as Britain which have certified halal meat from New Zealand, as well as China and Thailand (Lokman, 2009). Global market recorded a total RM7.4 trillion a year, while market in Malaysia level is RM45 billion. Prospects of halal markets are seen able to boost national income and ultimately capable to increase income for indigenous entrepreneurs.

Now a days Halal market in Malaysia has taken steps to become the World Halal Hub (Azah, 2009).The Malaysian government is deeply committed to strengthening the Halal industry and achiving the vision of making Malaysia a global Halal hub. This is because Malaysia has a potential as a producer of halal food products in which its position as a respected Muslim country in the world in terms of leadership at the OIC (Lokman, 2009), among Islamic and ASEAN countries. Among the measures taken by Malaysia are International Halal Showcase (MIHAS), the development of the Malaysia International Halal Park (MIHAP) and to create a hub for halal at state level in Labuan, Serkam Melaka and Tanjung Manis Serawak.

To establish Malaysia as a halal hub in the world relevant agencies play an important role for the development of halal industry in order. Furthermore, several input encompass support, encouragement, control, information, motivation and collaboration are necessary from many organization such as JAKIM, Ministry of International Trade and Industry (MITI), Ministry of Health (MOH), Ministry of Domestic Trade and Consumer Co-operatives, Malaysia External Trade Development Corporation (MATRADE) (Noraini Haji Idris, 2007), Halal Development Centre (HDC) and many more. Eventhough each of the bodies has different duties and roles nonetheless they have the same goals and direction for the development of Malaysia as a halal hub of the world.

10. HALAL CERTIFICATION IN MALAYSIA AND THE IMPORTANCE OF THE HALAL CERTIFICATION AND HALAL LOGO

Without granted with halal certificates in Malaysia, foods, beverage, consumables, premises and slaughter house will not be entitled with halal status. Although we know that a product is halal, it still cannot use halal logo unless there is verified halal certification. A halal certificate is a document issued by an authorized Islamic organization in Malaysia, JAKIM and JAIN, the sole producers of halal certification recognized by the Malaysian government. Obtained Halal certification allows the use of the halal logo to be display on both the products and the premises of the applicant.

This Halal certification is administered and gurented according to Islamic Law with the main purpose to overcome the problems of Muslim consumers concerning the status of one product. Besides, it is also a trade commercial value of winning in local and overseas markets. In fact, the production of halal certification is subject to the guidelines that have been made by JAKIM

(Fisher, 2008) and JAIN while the operators must meet all criteria outlined in the application process. In Malaysia For products to be marketed at the national and international level, application has to be submitted to JAKIM while for national market, application can be made through JAIN.

In case of product is manufactured outside Malaysia for Malaysia market, then Halal certification is no longer issued by JAKIM because the manufacturers can use approved certificate and halal logo from Islamic organizations recognized by Jakim. Up to now there are more than 40 bodies in the Muslim world, which was recognized by JAKIM due to similarities in terms of the halal certification guidelines. Thus, certification by the Muslim bodies can use in Malaysian market.

Figure 7.1 below illustrates the importance of Halal Certification to stakeholders.

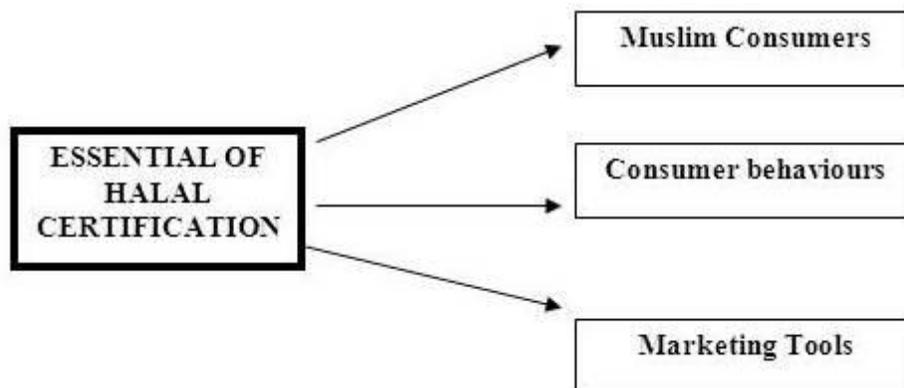


Figure
Certification Influence on Stakeholders

7.1: Halal

6. HALAL PRODUCTS IN MALAYSIA:Some Challenges

In Malaysia issue in products trade is not a new and studies shows that the arising problems are marketing, finance, competition, raw materials, labor (Norlaili, 2007), fraud and halal logo. If this issue is not treating properly, consequently it may directly hinder the market of halal products.

Forgery of Halal Logo

Pile Up of Halal Logo

Non-Muslims Dominated The Market

No Specific Act

Table 7.1: Halal Certification Issued to Industries

	BUMIPUTRA		NON-BUMIPUTRA	
	Application	Percentage	Application	Percentage
MULTINATIONAL	145	29	356	71
SME	748	38	1236	62
SMALL INDUSTRIES	1159	48	1272	52

Source: Hub Halal JAKIM (JAKIM Info, 2010)

11.PRESENT SITUATION OF HALAL ISSUES IN BANGLADESH

The intent of the paper is to explore the potentialities of Islamic Marketing Culture in order to protect the consumer interest to have the Halal products as well as to meet the issues and challenges of the 21st country in global as well as in Ummatic contexts.

The success or failure of a system or movement depends to a great extent on surrounding environment. The environmental factors are mainly of two types Viz, controllable & uncontrollable factors. Perusal of existing literature reveals that the main factors among them are absence of sound marketing culture, illiteracy of marketers as well as of consumers, non-conversance with Quranic knowledge as well as Traditions of the Prophet, absence of exercise of Islamic Values and Norms by the law enforcing agencies, lack of practice of Shariah and the precepts of the companions of the Prophet (S.W.T) in marketing. However, the developing countries mainly the Muslim world are criticized on the ground lack of consumer interests over and thus the consumer's society suffers a lot. However, the data regarding factors of consumer deception have been collected shown in Table 5.

Environmental Factors affecting Halal Movement in the Study Areas:

Environmental Factors affecting Halal Movement	Frequency in Percentage
Non-conversance with Quranic knowledge and traditions of the Prophet	100%

(sm)	
Absence of exercise Islamic Values and Norms by law-enforcing Agencies	100%
Lack of Practice of Shariah and the precepts of the companions of the Prophet (sm) in marketing.	90%
Illiteracy of the Marketers and customer/consumers	77%
Absence of Islamic Marketing System	75%
Absence of Islamic Government	100%

Source: Field survey

[Note: Total exceeds 100 because respondents mentioned more than one factor.]

Table 5 regents that 100% of the samples consider non-conversance with Quran and Traditions of the Prophet (sm) absence of exercise of Islamic norms and values by the law-enforcing agencies and the absence of Islamic government in the study area the most important environmental factors leading to consumer deception. The other important factors are lack of practice of Shariah and the precepts of the companions of the Prophet (sm) illiteracy of the marketers and the customer consumers and absence of Islamic Marketing system which are also responsible for the law-level of consumerism in study areas.¹⁷ The respondents, however, mentioned that the application of the Quranic principles, the traditions of the Prophet (sm) and the agreed opinions of the early Muslims thinkers in connection with Islamic political economy in general and marketing in particular will ensure better environment which, in turn, will pave the way of sound and peaceful life in this world and in the Hereafter. Thus, the process will meet the challenges of global order in the 21st century in the socio-economy-polities environment of the global economy in general and the socio-economy of the Muslim world in particular.

Consumerism Movement: Issues and Challenges in the 21st century Hasan Al-Banna and contemporary Muslim scholars rightly state that Islam is a complete code of life. Again, the rise of a healthy marketing culture, Growth of sound marketing practices and evaluation of an ideal marketing-oriented society are the pre-requited for the success and revival of Muslim Ummah to

face the challenges of 21st century in New Global order. However, the present study pin-points a number of problems in the Growth and development of an ideal Halal Movement in Muslim countries in general and in Bangladesh in particular. The major problematic areas as identified in the present research in the process of protection of consumer rights through Islamic Approach in the study area under:-

(i) Inadequacy in Practice of the Concept of Legal Trade and Commerce as an Act of Worship

ii) Absence of Practice of Islamic Culture and Human Values

iii) Lack of Enactment of Islamic Acts, Regulations and Rules

iv) Inadequate Role of Halal Movement Interest Groups

v) Lack of Accountability to Almighty Allah

vi) Deviation from Morality

vii) Lack of Interaction, Integration and Co-operation Among the Muslim Countries in Economic Context

viii) Inadequate Research and Developments

ix) Lack of Organization to Protect Halal Movement Interests in the Muslim Ummah

12. Major Findings:

The conception of Bangladeshi people about Halal Haram brand or logo or certification are as follows:

- (1) Most of the people from Bangladesh have conceptions about Halal & Haram but they don't know about logo, brand and certification on the same.
- (2) Sometimes state takes entimovement about low quality and defective foods but government is not serious about Halal & Haram issues. Bangladeshi people are very aware

about bribery, wine and other addicted products but due to the political robbery this crimes are normal phenomenon here.

- (3) Halal and Haram issues are wide discussing matter to the people of Bangladesh in personal, organizational and familial level. Till now except Islamic foundation other organizations do not take any initiative on Halal logo and certification.
- (4) It is preaching on Halal & haram issues always from the Masjid, Madrasha and Waz mahfil but there is no practical steps are being taken to implement this fact.
- (5) Besides there are some interesting findings have been observed in Bangladesh about lawful and unlawful events.
 - (a) Muslims from Bangladesh think interest is a very serious crime but not observing prayer or back biting is not so serious to them. The expunction of Islamic banking is the practical example on the same.
 - (b) People feel the meat of pork is haram but about bribery there feelings are not so serious like pork.
 - (c) Here to tell lie or back beating is not so harmful(Haram) or unlawful like adulteration and killing.
 - (d) Poverty is the cause of immorality. This principle is applicable to the all concern people of Bangladesh. On the above ground some people are being habituate in Haram practices.
- (6) The Halal and Haram issues are not incorporated in the education system except the syllabus of Madrasha. For this reason here people are guided by the conscious only.
- (7) As Halal logo and Haram certification is a culture of many Muslim countries. Here industrialist and businessmen can take it commercially.
- (8) There is a lot of employment scope will create if the Halal logo and certification issues are handle properly.

13.Recommendations:

- (1) As Malaysia is advance about Halal business so Bangladesh has to learn and follow their examples.

- (2) Besides Islamic foundation religious ministry will have to open some wings and branches who will work on these issues.
- (3) To be more understandable among the general people about Halal and Haram issues it is ardent needed to propagate in news paper, journal and in other mass media.
- (4) Besides the general educated people graduates from Kaumi Madrasha, Alia Madrasha and others have to involve in Halal related different projects.
- (5) Besides developing the policies on Halal and haram issues it is very essential to strengthen the monitoring side on the same because people form the various walks are raising questions on the ethical issues of Bangladesh.
- (6) Bangladesh has to proceed on the mention topic maintaining the liaison and cooperation with different international agencies who are far advance practically on Halal and Haram issues.
- (7) To take the accurate decision it is very essential to establish scientific lab.
- (8) In the syllabuses of our school, college and Madrasha we have to include different concepts of Halal and Haram.
- (9) Government should extend moral and other necessary support so that this unexplored issue will get acceptances smoothly to all concern.
- (10) Besides Jumma Khutba in the Masjid all concerned preachers should extend the Dawah activities with regard to Halal & haram.

Halal food industry has been growing rapidly and provides remarkable opportunities to the companies which export or intend to export to the Muslim consumers in Muslim or non-Muslim countries. Furthermore, halal food certificates may be used as a tool of differentiation in domestic and foreign markets in order to have competitive advantage. Suppling halal food products to consumers has been a recent trend in Turkey. Thus, promotions and other various marketing tools must be sustained in order to increase the awareness of the consumers regarding the halal food products,

References:

- Ab. Razak Dan. (2007). Isu Sumber Manusia. In Noraini Haji Idris (Eds.), *Malaysia ke Arah Hab Makanan Halal Dunia* (pp.88). Kuala Lumpur: Dewan Bahasa dan Pustaka.
- Ahmad H. Sakr. (1997). *A Muslim Guide to Food Ingredients*. Lombard, Illinois: Foundation for Islamic Knowledge, p. 24.
- Al-Qaradawi, Yusuf. (1995). *The Lawful and The Prohibited in Islam*. Kuala Lumpur: Islamic Book Trust, p. 10.
- Al-Qurtubi, Abi Abdullah Muhammad bin Ahmad bin Abi Bakr. (2006). *Al-Jami' Li Ahkam al-Quran*. Vol. 3. Beirut: Muassasah al-Risalah, p. 11.
- Al-Zuhailiy, Wahbah. (1996). *Al-tafsir al-Wajiz 'ala Hamish al-Quran al-'Azim wa ma'ah asbab al-Nuzul wa Qawaid al-Tanzil*. Damsyik: Dar al-Fikr, p. 26.
- Azah Anir Norman, Mohd Hairul Nizam md. Nasir, Shukur Sanim Mohd Fauzi & Masliyana Azmi. (2009). Consumer Acceptance of RFID-Enabled Services in Validating Halal Status. *Communications and Information Technology*, 2009. ISCT 2009. 9th International Symposium, 911-915.
- Bahagian Keselamatan dan Kualiti Makanan. (2007). *Garis Panduan Amalan Pengilangan yang Baik*. Putrajaya: Kementerian Kesihatan Malaysia, p. 2.
- Bonne, K & Verbeke, W. (2008). Muslim Consumer Trust in Halal Meat Status and Control in Belgium. *Meat Science*, 79(1), 113-123.
- Brian Clegg. (2000). *Capturing Customers' Hearts: Leave your competition to chase their pockets*. Great Britain: Pearson Education Limited, p. 2.
- Fisher, J. (2008). Religion, Science and Market-Modern Halal Production, Trade and Consumption. *EMBO REPORTS*, 9(9), 828-831.
- Food Safety & Quality Division. (t.t). *Guideline for Certification of HACCP Compliance Auditor*. Putrajaya: Ministry of Health Malaysia, p. 1.
- Harian Metro News. (2008). *Bebola Ikan Perut Babi*. Januari 29, 2008.
- Howard, John A. & Sheth, Jagdish N. (1969), *The Theory of Buyer Behavior*. USA: John Wiley & Sons, Inc. pp. 25-35.

Islamic population info. (2010). Accessed 23 april 2010:
http://www.islamicpopulation.com/world_general.html.

Jabatan Kemajuan Islam Malaysia (2005), *Manual Prosedur Pensijilan Halal Malaysia*.
Kuala Lumpur: Percetakan Nasional Malaysia Berhad, pp. 6-41.

Jabatan Kemajuan Islam Malaysia info. Accessed, 25 April 2010:
<http://www.halal.gov.my/index.php>

Janneke de Jonge, Lynn Frewer, Hans van Trijp, Reint Jan Renes, Willem de Wit & Joke Timmers (2004), Monitoring Consumer Confidence In Food Safety: An Exploratory Study. *British Food Journal*. 106(10/11), 837-849.

Lokman Ab. Rahman. (2009). *Isu Halal Tiada Penghujung*. Melaka: Alambaca Sdn. Bhd. pp. 13-126.

Muhammad Umar Chand. (2003). *Halal & Haram, The Prohibited & The Permitted Foods & Drinks According To Jewish, Christian & Muslim Scriptures*. Kuala Lumpur: A. S. Noordeen. p. 176.

Noraini Haji Idris. (2007). Daya Saing Global: Tuntutan dan Cabaran. In Noraini Haji Idris (Eds.), *Malaysia ke Arah Hab Makanan Halal Dunia* (pp.54).. Kuala Lumpur: Dewan Bahasa dan Pustaka.

Norlaili Abu Bakar. (2007). Jaringan dan Pemasaran. In Noraini Haji Idris (Eds.), *Malaysia ke Arah Hab Makanan Halal Dunia* (pp.140). Kuala Lumpur: Dewan Bahasa dan Pustaka.

Underhill, Paco. (2000). *Why We Buy The Science Of Shopping*. USA: Texere. p. 161-166.

Riaz, MN. (2007). Halal Food Production for The Cereal Industry and The Halal Certification Process. *Cereal Foods World*, 52 (4): 192-195.

Sudin Lada, Geoffrey Harvey Tanakinjal & Hanudin Amin. (2009). Predicting Intention to Choose halal Product Using theory of Reasoned Action. *International Journal of Islamic and Middle Eastern Finance and Management*. 2(1), 66-76.

Utusan Malaysia News. (2007). *Umat Islam Makan Sosej Bercampur Babi Wajib Samak*. Mac 22, 2005.

Utusan Malaysia News. (2009). *Hab Halal Tanjung Manis* Mac 11, 2009.

Utusan Malaysia News. (2010). *Malaysia Pembekal Produk Halal Utama dalam Lima Tahun*. Februari 12, 2010.

International Journal of Islamic Management and Business
ISSN 2413-2330(Online), ISSN 2520-4874(Print)