HOW DO MUSLIM CONSUMERS ARRIVE AT HALAL PURCHASE DECISIONS IN ONLINE FOOD CONSUMPTION CONTEXT?

TAREQ RASUL¹, MD. ASHADUZZAMAN² & CHARLES JEBARAJAKIRTHY³

¹ AUSTRALIAN INSTITUTE OF BUSINESS, AUSTRALIA.
² ³ GRIFFITH UNIVERSITY, AUSTRALIA.
CORRESPONDING AUTHOR: TFRASUL@GMAIL.COM

Abstract
Just like any other religious groups, Muslim consumers increasingly buy food online. Although purchase decision making around Halal food is known in conventional brick-and-mortar store environment, not much is known about Muslim consumers’ purchase behaviour of Halal foods in online context. The purpose of this study is therefore to explore how Muslim consumers meet their Halal expectations when purchasing food online. Adopting a qualitative phenomenological approach, 15 in-depth interviews were conducted with Muslim consumers in Australia who regularly purchase food online. The prominent themes emerged from the qualitative analysis included “Islamic values”, “sources of food items” and “publicly available information” which are the prominent ways for Muslim consumers to meet their Halal expectations in online context. These findings contribute to the food marketing, retailing and religious marketing literature particularly in online shopping context, and suggest some insightful managerial implications for grocery retailers, food marketers and fast-food retailers serving Muslim consumers.

Keywords: Muslim Consumers, Halal, Online Purchase, Food.

Reference to this extended abstract should be made as follows:

Introduction
According to reports in 2010, world Muslim population was estimated to be 1.6 billion, spreading out to different parts of the world (Desilver & Masci, 2017). Muslim consumer group therefore is a formidable force that dominates many consumption trends in the world. Most Muslim consumers are guided by Shariah Law that prescribes good and bad practices while making consumption choices which is known as “Halal” (Jusmaliani & Nasution, 2009). Although Halal rules apply to a wide variety of consumables, such as toiletries, pharmaceutical products, apparel, cosmetics and to services including banking, insurance, travel and tourism (Lada, Tanakinjal and Amin, 2009), it applies especially to foods.
Food consumption is an important part of household purchase. Currently, purchasing food online has become an important food consumption trend. Muslim consumers also tend to widely shop online, and Islamic laws do not forbid Muslims from purchasing online. Muslim consumers, the world’s second-largest religious group, are reported to verge upon this online shopping trend (Butt & Aftab 2013; Desilver & Masci, 2017). Studies have indicated the difference in consumption patterns, emotions, and motivations in online and offline consumption contexts (Penz, & Hogg, 2011). The demand and consumption patterns of Halal food in a conventional brick and mortar shopping environment is widely reported in the extant literature (Lada, Tanakinjal, & Amin, 2009). However, little is known about consumption patterns of Halal food in online buying environment (Samsi, Zainal & Ibrahim, 2011). Therefore, the purpose of this study is to explore how Muslim consumers meet their Halal expectations when purchasing food online.

Literature review
According to an estimate in 2006, the annual demand for Halal food was approximately USD 347 billion (Che Man, 2006). Dubai Chamber of Commerce estimated Halal food products to be worth of $1.6 trillion by 2018 (Food & Beverage 2014). Muslim consumers are increasingly becoming more educated (Mohammad, Norhaizah, Nuradli, & Hartini, 2007; Yaakob, Awis, & Ahmad, 2007) and hence, the demand for clean and healthy food that are religiously prepared has escalated recently (Hamdan, Issa, Abu, & Jusoff, 2013; Che Man & Abdul Latif, 2003). One recent trend in food consumption is ordering food online. Customer expenditure on food consumption market is expected to increase to $234,206 million by 2022 from $64,851 million in 2012 (Yeo et al., 2017). Statista (2017) indicates that 362.3 million consumers do online food shopping, and that this trend will further increase with the technological developments, such as mobile shopping (shopping via mobile applications). Research shows that in the future, customers will be more inclined to buy foods online than conventional physical methods (Saleem et al., 2018).

Several factors affect customers’ decision to purchase food online. For example, user-friendliness of computer applications or website for ordering good, and the ease of making payments via the application or website are crucial factors affecting customer decision to purchase food on-line (Hasanov and Khalid, 2015). Customer trust in marketer is another factor affecting customer preference for ordering food online (Alagoz and Ekimoglu, 2012). The retailers’ ability to provide optimal services to online buyers also encourage their online food buying habits (Lee and Jeon, 2017). As explained above, several factors drive customers’ decisions to purchase food online. Although Muslim population is huge in size, and Halal food market is a multibillion dollar business, it has not yet been investigated how Muslim consumers meet their Halal expectations when purchasing food online or what factors drive Muslim consumers decisions to purchase Halal food online.

Methods
The qualitative method, particularly, a qualitative phenomenological approach was adopted for this study because qualitative method enables researchers to better understand the participants’ point of view, and to explore their insights in depth (Corbin et al, 2014). In order to collect data, 15 in-depth interviews were conducted with Muslim consumers in Australia who regularly purchase food online. Respondents belonged to both genders and various demographic backgrounds. The first author and second author (who had previous experience in conducting interviews) conducted all the interviews, and each ran for about 40-50 minutes. We collected data during the interviews using a protocol which was carefully prepared based on the objectives and focus of the study and, after pre-testing, slightly adapted. With the participants’ permission, interviews were audiotaped and then transcribed. The interview transcripts were subject to content and thematic analysis independently by two researchers. Using NVivo, the transcripts were independently coded by two researchers around discursive themes or codes in the data. The themes and codes identified by both researchers were compared and analysed further to arrive at consensus (inter coder reliability 0.89).

Analysis and Discussion
The eminent themes emerged from the qualitative analysis include: ‘Islamic values,’ ‘sources of food items’ and ‘publicly available information’ that are the main ways or sources by which Muslim consumers meet their Halal expectations while purchasing Halal food online.

Islamic values: The purchase decisions of Muslim consumers, both in online and offline settings are driven by strong religious beliefs. Similar to offline setting, in online settings they are looking for Halal monogram or
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logo, which indicates that a food item is religiously permissible, and is a strong factor in convincing Muslim consumers to buy foods in online marketplace.

Sources of food items: Not all online sellers include clear information on Halal logo that can identify their foods as permissible for Muslim consumers. In the absence of Halal logo, they consider sources of food items to ensure they were prepared in line with Halal principles. For example in Australia, 'Lilydale' branded chicken has got Halal accreditation by the Australian Federation of Islamic Councils. Many restaurants and cafes source their chicken by 'Lilydale' branded chicken and don't show the Halal logo on their websites for each food item sold.

Publicly available information: In the absence of information on the two factors mentioned above, publicly available information about the food sellers and food manufacturers assist Muslim consumers to decide whether the foods ordered online were prepared based on Halal principles. For example, information as to whether particular food seller or food manufacturer has been approved and accredited by local or national Muslim community groups (e.g., The Australian Federation of Islamic Councils) can be used in this regard.

Academic and practical implications

This study has several academic and practical implications. Academically, this study enhances the understanding of Muslim consumers’ food consumption behaviour in the online shopping context. Overall, the findings of this study will make an important contribution to the literature relating to food marketing, retailing and religious marketing particularly in online shopping context. Practically, this study provides several managerial implications for grocery retailers, food marketers and fast food retailers who serve Muslim consumers. The demand for Halal food is extremely large. Therefore, the findings of this study will be useful to the businesses in better understanding Muslim consumers’ Halal food consumption behaviour in online context, hence they can design strategies to better serve Muslim consumers.

References


