Theorizing Islamic Retail Experiential Value in Predicting Total Islamic Experience Quality: A Hypothesised Model

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Abstract

The understanding of Muslim consumers behavior is essential for retailers to gain profit maximization, competitive advantage and longer sustainability as this group of customers demonstrate different personality compared to conventional customers. As such, retail businesses should adapt the Islamic retail concepts in their business strategies to tap the emergence of Muslim market and position themselves as the Islamic retailers. The conceptualisation of Islamic Retail Experiential Value scale is derived from the typology of experiential value framework reflecting the benefits of perceptions of atmospheric values (aesthetics), customer return on investment, service excellence and playfulness. The aim of this study is to examine the plausibility of refining the established Experiential Value Scale (EVS) by incorporating a new dimension. The proposed framework is based on the Stimulus (S) – Organism (O) – Response (R) paradigm (Mehrabian & Russell, 1974). This paper proposes a new dimension that is spiritual value to be integrated into Experiential Value concept, which will be known as Islamic Retail Experiential Value. This extended concept will be tested and validated in the context of Indian Muslim food outlets or famously known as the “Malaysian Mamak” food retail outlet. In this paper, it is proposed that Islamic Retail Experiential Value (IREV) will represent the organism element, and hypothesised as a predictor of Total Islamic Experience Quality (TIEQ).

Keywords: Experiential Value Scale (EVS); Islamic Retail Experiential Value (IREV); Spiritual Value; Muslim Consumer; Indian Muslim Restaurant

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1.0 Introduction

Islam is the largest religion in Malaysia, where a total of 62% of its 34 million populations are Muslims (Source: Malaysian Statistic Department, 2014). Approximately 5.4 million Muslims reside in Klang Valley and the majority of them practice Islamic laws in their food and drinks consumption. With the increasing number of Muslim consumers becoming more aware of lawful (halal) and unlawful (haram), Malaysia is in need of a new type of retail concept that caters to the needs of the Muslims.

The extent of Islamic orientation and greater awareness is further proliferated by social media, resulting in more Muslims seeking religious values in food consumption where Muslims must conform to Islamic regulations and Shariah law. Religious values guide Muslims on decision and actions and shape an individual’s emotional experience, cognition and psychological well-being which affect the consumption choices (ShahAlam, S.Mohd, & Hashim, 2011). In Islamic principles, Muslim has to consume only Halal food which means permissible and lawful as instructed in Holy Quran (Qardawi, 2007). The quality of Halal food covers the aspects of cleanliness or hygiene, safety, preparation, storage and purification or “tayyib” (Hassan, 2011). As a Muslim consumer, it is an obligation to find Halal products and avoid those that are forbidden and doubted. Therefore, retail food outlets must reinforce their Islamic rules in their business operations to meet the Muslim’s motivation in consumption that are influence by their religious beliefs (Hashim, Hussin, & Zainal, 2014).

In order to examine Malaysian Muslim religious values towards food consumption, their experience in a retail food outlet setting must be measured. The researchers had selected Indian Muslim food outlets in the context of this study due to its tremendous expansion in Malaysia (Bakar & Farinda, 2012), popularity to all walks of life, accessibility to spot this outlets every corner of Klang Valley and acceptance of multicultural population to consume Indian Muslim foods (Ibrahim & Zawawi, 2014). The Indian Muslim restaurants are very famous amongst the urban young working people, college students and families due to their friendly, fast service, casual atmosphere and varieties of delicious dishes at an affordable prices. These small-scale retail food based businesses are dominated by the Indian Muslims community, who migrated from South India to Malaysia and are accessible in Malaysia across the cities, residential areas, villages and downtowns (Sharbudin & Mohamad, 2008). These restaurants labelled as “Mamak” and named as Nasi Kandar or Bistro are well-known and are familiar brand names in Malaysia. It is easy to recognize an Indian Muslim restaurant as its decors include framed of Qura’nic verses, do’a and Arabic calligraphy hanging on the wall (Sharbudin & Mohamad, 2008). The development and progress of this unique retail business led to the formation of The Association of Muslim Restaurant Operators (PRESMA). Today, “Mamak” restaurants is said to reach 7,500 premises in the whole country and contributes to the national economy of roughly RM8 billion annually (Mujani, 2012). Hence, several researchers had pointed out that “The booming Mamak restaurant business is an interesting Malaysian phenomenon” (Sharbudin & Mohamad, 2008). Given the above background, the key objectives of this study are to determine the Halal literacy among the Malaysian Muslim customers; and to examine the credibility as well as the integrity of the Indian Muslim in running a Halal food retail outlet from the perspectives of the customers. This approach is to validate and extend prior studies (Shaari, 2013), that found that Halal literacy among Muslim are still unsatisfactory with lack of knowledge, low sensitivity, low in their self-awareness, stance and control in food outlets selection (Salehudin, 2010). Ultimately, this study is driven by the need to establish a model on Islamic Retail Experiential Value (IREV).

2.0 Background of the Study

The concept of retail experience as a measure of experience quality began with emergence and development of “Experience Stores” around the world (Jones, 2010). These retail stores incorporate all elements inhibit customers during contact with retailers. They engage themselves into a variety of activities which lead a complete experience determining their satisfaction and loyalty level. Among the first researchers in this area are (Holbrook & Hirschman, 1982); (Babin, Darden, & Griffin, 1994), and (Pine & Gilmore, 1999). Since then, many studies have been developed to test the relationship of stimuli and approach-avoidance behaviour or emotional components to total experience. Two psychologists (Mehrabian & Russell, 1974) developed a Stimulus-Organism-Response (S-O-R) model to explain how an individual reacts to a specific environment and affect an individual’s cognitive and
affective reactions, which in turn lead to some behaviour. This paradigm has been widely applied to many consumer
behaviour studies and was able to explain the relationships between customer experiences and emotional dimensions
throughout many industries. To apply the model in this study, Halal Literacy and Spiritual Intelligence will be
treated as the self factor Stimuli, whereas Islamic Retail Experiential Values will be added as the cognitive and
affective states of the Organism while customer engagement, advocacy and attachment are elements of Total
Islamic Experience Quality and act as Response to the stimuli. Holbrook & Hirschman (1982) had introduced the
experiential perspective of consumer behaviour and marketing, while Mathwick, Malhotra, & Rigdon (2001)
developed Experiential Value Scale (EVS) based on Holbrook (1994) typology. It described intrinsic/extrinsic value
and active/reactive value by conceptualising the hierarchical structure consisting of four highest dimensions
labelled as Consumer Return Investment (CROI) in active source of extrinsic, Service Excellence in reactive source
of extrinsic value, Playfulness in active source of intrinsic value and aesthetic appeal in a reactive source of intrinsic
value. Both intrinsic and extrinsic believe in motivating an individual to perform certain activities.

There are substantial studies in the past that had tested the EVS dimensions’ relative importance across many
retails areas (Jin & B. Goh, 2013); (Jin, Lee, & Kwon, 2015); (Fiore & Niem, 2009); (Keng, CJ, & Zheng, 2007).
Figure 1 illustrates typology of Experiential Value Scale. The first dimension is enjoyment and escapism that reflect
playfulness. Playful exchange behaviour is reflected in the intrinsic enjoyment and escapism is the aspect of
playfulness that allows the customer to get temporarily away from engaging activities and it involves an element of
“pretending” and having fun. Escapism, in this study context, will be evaluated in the form of customers’ feelings
and emotions while having meal experience and social activities in the restaurant.

<table>
<thead>
<tr>
<th>Active Value</th>
<th>Reactive Value</th>
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<tr>
<td>Intrinsic : Playfulness</td>
<td>Intrinsic : Aesthetics</td>
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<tr>
<td>Extrinsic : Customer Return On</td>
<td>Extrinsic : Service Excellence</td>
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<tr>
<td>Investment (CROI)</td>
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Fig. 1: The Framework is the original idea of Holbrook & Morris (1994) and Mathwich, Malhotra & Ridgon (2001); Typology of Experiential Value

Second is aesthetic, which refers to the consonance or unity of physical objects and reflects two sub-dimensions;
visual appeal and entertainment. Entertainment, visual appeal and intrinsic enjoyment are important in creating a
hedonic retail outlet and entertainment proved to have influenced pleasure and customer satisfaction (Han & Ryu,
2011); (Y. Lin & Matilla, 2010); (Wu & Liang, 2009). Due to these evidences, the proposed aesthetics elements in
this study includes restaurant interior designs, fittings, furniture and ambiance that assumed to reflect aesthetic
value in overall atmosphere performance. Third is service excellence, which is the key to differentiating a retail
outlet in a restaurant setting. It includes good customer service, proactive communication and attributes contains in
the service quality dimensions. In a study conducted by (Keng, CJ, & Zheng, 2007), they established that service
excellence will be interpreted along reliability, assurance and courtesy between restaurants workers and customers.
Lastly, customer return on investment (CROI) is reflected by efficiency and economic value stated behavioural and
psychological resources traded in exchange of experience (Mathwick, Malhotra, & Rigdon, 2001). In this study
CROI value refers to consumer’s perception about getting return in terms of efficiency and monetary exchange of
food outlets’ products and services. CROI will be measured through their degree of satisfaction and trade off value
in relative to emotional dimensions they received from the retailers. Noting this need, it is necessary to establish a
valuable experiential system in restaurant settings since it links to customer satisfaction and loyalty (Tama@Harizz
& Voon, 2014); (Ying, Lee, & Huffman, 2011); (Datta & Vasanta, 2013). In light with the available literatures on
retail customer experience, (Schmitt, 1999) define it as “the total sum of cognitive emotional, sensorial and
behavioural responses produced during the entire buying process, involving an integrated series of interaction with
people, objects, processes and environment in retailing”. Same & Larimo (2012) concur and acknowledge retail
customer experience as an interaction between company and customers, and are influenced by an environment and it encourage retailer loyalty through emotional connection in a context of engaging, compelling and consistent.

Moving towards it, creating customer experience is considered a new battleground in today’s economy (Klaus, 2011) and customer experience needs to be engaging, robust and memorable. Experience quality involves emotional dimensions from what a customer had gone through a “delivered experience” or the outcome of consumed experience in a retail store such as joy, mood, leisure and distinctiveness that relate to satisfaction, pleasure and engagement in the retailing context (Bagdare & Jain, 2013). Goel (2015) mentioned that, it is important to engage customer emotionally and behaviourally, focus on the communication and physical retail outlet that link with customer experience. Drawing from this, in a restaurant setting, customer experience is translated in terms of sensory aspects of consumption which include the emotional involvement in all consuming situation (Havlena & Holbrook, 1986). Emotional aspect is one of the factors that contribute to total experience in a restaurant services (Tama@Harizz & Voon, 2014). Retail experience and total experience quality affect the experiential systems in such a way on how well the retailers influence the customers emotions, psychology and feelings either hedonic or utilitarian values. It includes the elements of customers experience as the whole process and being trade-off for values they expected. Previous studies on retail customer experience (Walls, Okumus, Wang, & Kwun, 2011); (M.Morell, 2013); (Petersman, 2012) have recognised the importance of customer experience in retail practice and they view from holistic perspective in retail environments. Retail experience can be enhanced by enabling interactions, solving important problems, connecting with emotions and involvement in multi-sensory environments (Spena, Carida, & Melia, 2012). To address the issue, the authors stressed the essential role of total customer experience as advocacy, retention and loyalty. Even more, previous researchers recommend the significance value of having emotional involvement across the retailers and consumers. However, being evaluated by conventional procedure, the spiritual elements are important in evaluating total customer experience. In line with the requirement, this current study proposes a hypothesised model of Islamic Value imbued in Muslim spirituality as an additional determinant of behaviour to incorporate into Experiential Value (EVS) by (Mathwick, Malhotra, & Rigdon, 2001) and formed as a new concept in Islamic Retail Experiential Value (IREV) model. The major objective of IREV is to predict behaviour of Muslim customers and the theory that leads to experiential value. IREV attempts to serve as connection to the behaviour and emotions response through a system coined as Total Islamic Experience Quality (TIEQ). Throughout this review, the researchers discovered that there is a gap in literature that discussed on Muslim spirituality. Likewise, the study on Islamic Retail Experience in Food service industry is still very much unexplored. Many past studies had assessed the Muslim customer spirituality in different areas such as from tourism and financial perspectives. Therefore this study attempt to theorise Islamic Retail Experience (IREV) and Total Islamic Experience Quality (TIEQ) in a broaden perspectives involving Muslim customers and Indian Muslim Retail outlets in the retail setting.

3.0 Constructs of the hypothesised model for Islamic Retail Experience Value (IREV)

The proposed hypothesised model (Figure 2) is adapted from Experiential Value Scale (EVS) by Mathwick, Malhotra, & Rigdon, (2001). Customer Return on Investment, Playfulness, Service Excellence, Aesthetics and a new construct - Spiritual Value will be integrated to test the Islamic Experience Value model. EVS is the most influential model in predicting experiential behaviour (Mathwick, Malhotra, & Rigdon, 2001). In this study, Spiritual Value (SV) attempts to link with EVS and two dimensions will be used to indicate SV, which are Consciousness and Attachment to God. Spiritual Value is hypothesised to influence Muslim customer experience towards the Total Islamic Experience Quality (TIEQ).
In a Muslim country, the understanding of value is vital where Muslim consumers are favourable in patronizing outlets that show a high degree of Islamic image (Suki, Salleh, & NM, 2014) and Halal compliant (Ardhanari, 2013). Fauzi, Hashim, & Mokhtar (2012) revealed that Muslims have their own code of conduct and they behave differently in consumer patronage behaviour. In this context, Muslims’ spirituality is made up the inner and outer of emotional, rational and behavioural exercises which drive their motivation. They are committed to lifestyle worship, adhered strictly to the Islamic guidance in consuming their food or drinks, and obedience in faith and beliefs. The faith and beliefs are perceived to be spiritual values which reflect their decisions and actions. In psychological terms, Spiritual Value (Ismail & Deskmukh, 2012) represents a state of being, reflecting positive emotions, attitudes and cognitions of relationship, gratification, enjoyment, love, respect, self-esteem, harmony and valuable person and awareness in examining decisions. In his study, Holbrook (1999) established that spirituality is a typology of consumer value while in a religious study (Pargament, 2013) it was stated that it is “search for the sacred”. Past studies on Islamic spiritual value, expanded further the term and stated that it is the practice or worship services of religion, devotion to God, life of virtue and Muslim search for the sacred in a submission to God (Allah) which results in a close and loving relationship (Ghorbani, Watson, Geranmayepour, & Chen, 2013). In their study (Astuti & Afif, 2009) on Islamic spiritual value in the financial sector, spiritual value was defined as perceived closeness of consumers to God and sacrifices.

In line with the terminology and the reviews, Islamic Spiritual Value is proposed by the authors to be divided into two dimensions that are; customer thoughts and beliefs described as “Consciousness” and “Attachment To God”, as the reflection of customer emotions and feelings.

### 3.1 Consciousness

In Freudian theory of consciousness, the term refers to a sense organ for a perception of the mind-body process where latent knowledge of something may serve to mean immediately, subjectively and intro-respectively to a given experience. In this study, consciousness will be based on the work of Csikszentemihalyi (1988) and Bargh (2002), which discussed the influence of consumer judgement, behaviour, and motivation. The role of consciousness in a Muslim spirituality represents the core teachings of the Quran, of Prophet Muhammad and Islamic Law (Shariah), which then, formed faith (Iman), a confirmation of belief in God (Allah). In this respect, Muslim consciousness is
perceived as a structure of knowledge which generates input processing of thoughts and beliefs, an active engagement, self-awareness, and sensitivity. Islamic Values influence Muslims obedience in their thoughts, decisions, and actions while Doctrine of God Consciousness stated a person becomes aware of the existence of God in his life. Both thoughts have similar understanding that can carry a Muslims psychological states and response to their spiritual, intellectual, emotional and physical. In this exploratory study, consciousness will be measured through customer judgment on the respective restaurant product and services described as self-awareness, self-assurance and self-restraint. As stated in Quranic verse (17:36): “You shall not accept any information unless you verify it for yourself. I have given you hearing, the eyesight, the brain and you are responsible for using them.”

3.2 Attachment to God (Allah)

Islamic philosophy is attained by uttering submission to God and is primarily achieved by adherence to Islamic lifestyles, obedience to God’s commands and avoidance of the forbidden. Attachment theory, as attested by a psychologist, (Bowlby, 1969) is the behavioural system that motivates a person to seek proximity, to maintain positive emotions, secure and preoccupied states of mind. With regards to this, a theological study undertaken by (Bonab, Miner, & Proctor, 2013) indicated that “Attachment to God” has a function to a person’s behaviour which will be based on the ultimate goals connected to a proximity figure. Consistent with this concept, “Attachment to God” in this study context will be measured during consumption process in the retail outlet (restaurant) and will be evaluated through customer decision and actions. The spiritual value proposed here are the modification from Muslim Experiential Religiousness Scale items of “Submission, Closeness and Love to God” (Ghorbani, Watson, Geranmayepour, & Chen, 2013) as an indicator to represent “Attachment to God” dimension. It contains attributes of security, reliability, trustworthiness, righteousness and devotion to God. In Qur’anic stories revealing God commitment: “When my servants question you about Me, I am near to answer the call of the caller when they call Me” (Qur’an 2:186).

4.0 Conclusions

This research aims to link retailing concept and consumer behaviour concept through creating Islamic Retail Experiential Value model as previous experiential value scale was unable to represent the spiritual value of Muslim customers. The foundation to this idea is derived from the modification of Experiential Value Scale (EVS) and is expanded to integrate Spiritual Value to explain underlying determinants of Muslim consumers’ behaviour and attitudes towards a retail outlet. The conviction of this paper is, there should be an additional dimension of spirituality based on the Muslim Faith and Islamic principles. The Islamic Spiritual Value is perceived to have a relation with Experience Value in influencing Total Islamic Experience Quality (TIEQ).

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