UNDERSTANDING THE ISLAMIC CONSUMER

Findings from a 10-country study shed some light on the vast market of 1.4 billion Muslims worldwide – a segment that has received scant attention until now.

By Monita Vohra, Gagan Bhalla and Aurobindo Chowdhury

Muslims are a majority in 50 countries and constitute a sizeable minority in many others. A third of them are aged less than 14 years, compared to 18-20% in Western markets. They will be tomorrow's consumers. For any international marketer, these consumers present a huge opportunity that could yield significant benefits. Forbes, for instance, reported that the global Halal food market was worth US $580 billion annually in 2007.

Yet marketers have limited understanding of Muslim consumers, which is why AMRB and JWT conducted a joint study across 10 predominantly Islamic countries (Algeria, Egypt, Jordan, the United Arab Emirates (UAE), the Kingdom of Saudi Arabia (KSA), Turkey, Iran, Pakistan, Malaysia and Indonesia) to better understand how Islam as a religion drives the choices of Muslim consumers. We wanted to understand the values that resonate across the Muslim world and how far differences in value systems can impact consumer choices. Do Muslims have a negative attitude to Western products and brands and what are the differences between these consumers?

WE FOUND SIX COMMON THEMES THAT RESONATE ACROSS THE ISLAMIC WORLD:

1. Family is paramount. In addition, people in KSA also show a higher regard for close friends than in other markets. "There is no place like home. Our family is me, my wife, our five kids and my parents."
2. Some pressures on family life are also apparent. Marital insecurity is fairly high, though more so in the MENA (Middle East North Africa) markets, and less so in South Asia. "In a marriage, you have to always please your husband. I have to keep a watch on my husband's behaviour; it is very easy to have an affair these days."
3. There is a strong desire for traditions to adapt to changing times. "In the past, working women were rarely asked for marriage. Now, well-educated women with working experience are the most sought after for marriage."
4. There is a high emphasis on education and universal agreement that education is important. "I am trying my best to develop my skills to create an employment opportunity for myself. I will feel more independent when I get a job."
5. There is a strong desire for self-expression. Most agree that individual opinions should be respected and aspire to be a part of a social forum where they can voice their views and concerns. "Though I am religious, I feel closest to the internet as you can choose which subjects you want to read about and you can discuss things with people from other countries. There are things that we are not encouraged to talk about as these are a taboo, like love and sex."
6. Western companies and brands are liked and respected by the majority of Muslim consumers. "I like Coke as it is high quality and it has a taste that has helped it to be a leader all the time." But this liking is on condition that these brands are not directly associated with anti-Islamic activity; for instance, Danish brands suffered during the cartoon controversy.

So, does this make followers of Islam a monolithic group of consumers? No, not at all; our study identified five different segments based on the values and attitudes of Muslim consumers. The size of each of these segments ranges from 17-24% of the total population.

RELIGIOUS CONSERVATIVES

Do not approve of gender interaction. They expect others to follow religious practices, are anti-media and information-averse and would even override their own personal choices for religious beliefs. "One should strictly follow what the Prophet has said as it represents the true spirit of Islam". "Alcohol, lottery, sex, non-Halal meat and pork are forbidden." They tend to be older males who are interested in religious programmes (TV and internet sites, going on pilgrimage etc).

NEW AGE MUSLIMS

Are religious but do not expect others to follow religious practices. They believe in societal progression and support female empowerment and gender equality. They are pro-media and realise the potential advantages of the internet. "I want my children to have a better education and social position than me but they should at least be like me when it comes to values and traditions, as these are necessary to lead a responsible life." They tend to be upper- or middle-class females in large towns and although religious, they are open to new-age media and are also interested in new trends and fashion.

SOCIETAL CONFORMISTS

Believe that social norms should be adhered to, even if it means overriding personal choice. They lack self-confidence and depend on others to make decisions. At the same time, they are not particularly religious themselves. "I would want to live abroad, as there are more career opportunities and women have a better social life there." They tend to be lower-class males who are, for instance, often interested in Western movies.

PRAGMATIC STRIVERS

Are non-traditional and ambitious. They are open-minded, and are willing to compromise on religious values in order to get ahead in life. They are also the least affluent group. "I had to choose between

studying Islam and sports. I chose sports as I am interested in opening my own sports club." They are the least affluent segment. They primarily live outside large towns and seek ways to earn something extra and to save for the future.

LIBERALS

Are broad-minded, independent and assertive. They are not very particular about traditions and religious practices. They like to explore different options even if they do not conform to accepted religious and societal norms. "My nation and my individuality are most important. My religion and ethnic identity is less relevant." They are younger and more affluent than the other groups and are more interested in the latest news, business, music and adventures and vacations.

In mapping these segments using correspondence analysis, two broad dimensions emerged: the impact of religion on personal choice, and the desire for societal progressiveness (see Figure 1).

Figure 2 shows the distribution of these segments across the countries. There is external anecdotal validation that the research findings are in sync with upcoming trends. For instance, the high proportion of Religious Conservatives in Egypt and Algeria reflects the growing trend towards Islamism in these societies. The rather high proportion of New Age Muslims in KSA reflects increasing demands for social progression there. The low proportion of Religious Conservatives in Pakistan is in line with the fact that radical political parties did not win many seats in the recent parliamentary elections.

ADVICE FOR MARKETERS

So how can these research findings help marketers?

— Global marketing of Shariah-compliant financial products and services. The study helps to identify and quantify the relevant consumer segments and to prioritise which markets should be targeted. An in-depth understanding of the segment helps the client to develop a pan-regional communication platform.

— More accurate consumer targeting. TV programme content in the Middle East typically spans two extremes: theology-based content that appeals to Conservatives versus more Western-oriented content which is more in tune with Liberal values. The study highlighted a substantial presence of New Age Muslims, primarily women, in the countries surveyed, which indicates the need for a middle path. Our client has identified this group as its key target and is developing TV programmes and content specifically for this segment.

FIGURE 1 - MAPPING THE SEGMENTS

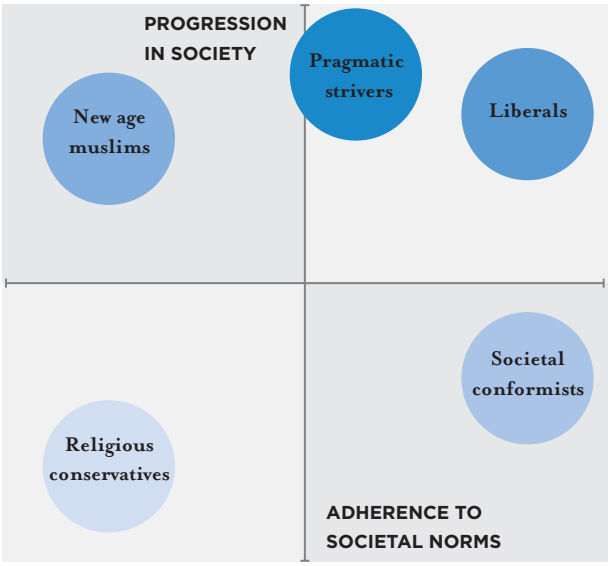
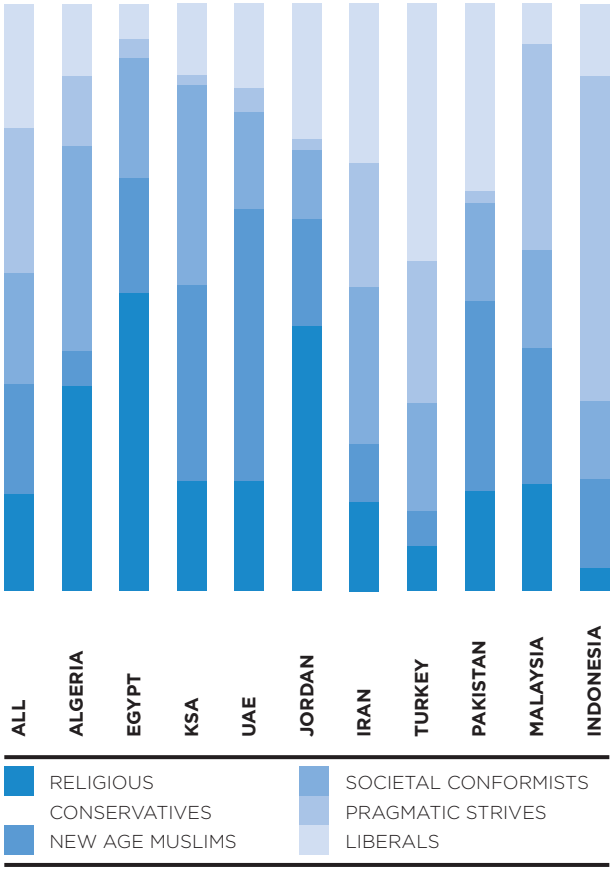


FIGURE 2 - SEGMENT SIZES



— Understand how propositions need to be tweaked across markets. For example, a communication platform that works in Turkey may not work in Egypt or KSA.
— Move away from stereotypes. Islam and modernity are not conflicting terms (the Hollywood portrayal of the KSA anti-terrorism officer in The Kingdom probably is a good representation of a New Age Muslim).
— Develop hypotheses for new product development. These could be for food and beverages, clothing, personal care, telecom and other product groups; for instance, hair care for veiled women or Islamic applications for mobile phones.
— Use learnings in marketing and communication through developing propositions, brand identities and guidelines on how to communicate with Islamic consumers. RW

Monita Vohra
Is research services director, head of qualitative.

Gagan Bhalla
Is general manager at AMRB.

Aurobindo Chowdhury
Is research services director at AMRB.

ABOUT THE STUDY

We used a combination of desk research, 40 opinion leader interviews, a total of 60 focus group discussions, 120 ethnographic diaries and around 7,000 quantitative research interviews. We avoided explicit questions about religious practices while interviewing respondents, to avoid defensive responses, and minimised bias by, for example, framing questions in the third person and omitting direct references to people or countries.

The qualitative research generated 125 attitude and value statements covering respondents' attitudes towards themselves; men and women; friends and families; personal choices; dreams and aspirations; traditions, culture and generational disparity; media and advertising; products and services.

Further statistical analysis reduced the attributes to 43 themes that retained the richness of consumer responses. These were used to identify values that resonate across the Islamic world with themes that have the least variability across markets and different attitude segments using a cluster analysis to arrive at differentiated value segments within the Islamic world.