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## Factors Affecting Brand Relationship Quality of Halal Food and The Mediating Role of Halal Literacy

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### Abstract

*Purpose:* Brand relationship is an emerging phenomenon and companies are giving it a lot of importance. Islamic marketing is gaining grounds everywhere in the world and capturing a lot of attention in the countries where Muslims are in majority and even in minority. Present research aims to evaluate factors like brand experience, religiosity, price and role of halal literacy as a mediator to the brand relationship quality of halal food brands.

*Methodology:* Survey research method has been conducted in Kuching and Kota Samarahan cities of Sarawak State, Malaysia. 270 respondents took part in this research. The partial least square method (PLS-SEM) has been used for data analysis.

*Findings:* The findings of the research suggest that experiential value, price, and religiosity have effect on brand relationship quality of halal food brands. The role of halal literacy as a mediator has been found significant in respect of experiential value and religiosity, while it remained unchanged in determining the price.

*Research Limitation:* The research has been conducted by applying cross sectional data method. The study is limited to the state of Sarawak, Malaysia and it concerns only the food products.

*Practical Implication:* The findings of this research can be considered as a help by brand managers in formulating their marketing and business strategy.

*Originality/Value:* This research endeavoured to explore the importance of religiosity in customer-brand relationship of halal food brands. Moreover, the concept of the mediation role of price transparency has been investigated for the first time. It indicates that this area has never been explored before in research.

**Keywords:** Religiosity, Price, Experiential Value, Halal Brands, Brand Relationship Quality.

## Introduction

The One of the newly emerging marketing concepts is Islamic branding which is gaining attention of academicians, practitioners, businessmen and consumers due to multiple reasons. Islamic market is comprised of 1.6 billion or 23 percent of the whole world market (Yuhas, 2015). Muslim consumers are in majority in approximately 56 countries of Africa, Asia and Europe. Islam is the fast growing religion in the world which has direct impact on increasing number of Muslim consumers of halal food. Islamic market is touching colossal US \$2.7 trillion in 2007 and it is estimated that it will be US\$ 30 trillion by 2050 (JWT, 2007). Relationship with consumer is also interesting area for researchers now a days due to various reasons including role of customers in brands building has increased in this modern market. The concept that brand and consumers are related to each other is known as customer brand relationship or brand relationship (Hashim & Yasin, 2017; Fournier, 1998; McAlexander, Schouten, & Koenig, 2002; Sheth & Parvatiyar, 1995). Brand relationship concept has multiple advantages like reduced marketing cost, easy to access consumers, bringing new customers, brand equity, retention of customer, and earning maximum profit (Dowling, 2002; Winer, 2001).

In the past, companies spent a lot of money on marketing activities like advertising to acquiring new customers rather than retaining loyal consumers. Present time has witnessed considerable change in the previously practiced market philosophy. Companies have changed their strategies and most of the efforts are focused on strengthening relationship with consumers that are also called as relationship marketing (Peelen, 2003). Relationship marketing has been widely researched and two new perspectives have emerged in this area. Investigation of buyers' side (Dwyer, Schurr, & Oh, 1987; Crosby, Evans, & Cowles, 1990; Moorman, Zaltman, & Deshpande, 1992), and seller side which gave a broad view discussed by Morgan and Hunt (1994). After 2000, relationship marketing evolved with investigation in comprehensive relation marketing overview. Approximately, in the past thirty years, relationship marketing witnessed a big evolution and studies conducted in different sectors started from automobiles (Kumar, Scheer, & Steenkamp, 1995; Morgan & Hunt, 1994; Dwyer et al., 1987), financial services (Malarvizhi et al., 2018; Bejou et al., 1996; Zineldin, 1995), tourism and hotel services (Ryu & Lee, 2017; Huang et al., 2006; Kim & Cha, 2002) and store and retail (Ramaseshan et al., 2006; Wong & Sohal, 2002). Some studies have been conducted like Zainol et al (2014), which focussed on brand identity and brand commitment. But in in the context of Islamic branding, brand relationship quality has rarely been investigated. Secondly, the relationship between Islamic brands' consumers and halal food brands has scarcely been studied. Thirdly, no considerable study has been conducted to examine halal food literacy in terms of attracting more Muslim consumers. So, this study aims to examine the impact of halal food literacy among halal food consumers.

Research in Islamic marketing and relationship marketing is evolving as new area but it is on early stages. Hence, it invites the need for deeper investigation on finding the important factors in establishing the relationship between consumers and the halal products and the important role of halal literacy in influencing the relationship. The findings of such investigation would, hopefully, be helpful for market managers in formulating strategies to attract more consumers and develop a relationship between them and consumers. The relationship would ultimately establish trust between the two sides that would help the managers to chalk out strategies about particular brand/product/services. This study has been carried out with two prime objectives. First, it examines the effect of the factors behind Muslim consumers' behaviour towards brand relationship