

Islamic Branding of Indonesian Products: A Literature Review and Classification

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Abstract

Branding literatures have been appearing, although in limited numbers. However, along with the trend of increasing interest in the Indonesian Muslim market for halal products and Islamic labels, studies in this area are increasingly popular. This study aims to get an overview of the works that have been produced by researchers in previous studies on Islamic branding based on the industrial sectors. The approach used is a qualitative approach with a literature review method. The results of 18 journal titles obtained from Garuda Portal, the most popular researches are in food and banking sectors, quite popular in cosmetics, retail and fashion product sectors, and less popular in fintech, toiletries, institutions, hospitality and services sectors.

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INTRODUCTION

Indonesia is a country with the largest Muslim population in the world. According to a report by The Royal Islamic Strategic Studies Center (RISSC) themed The Muslim 500 Edition 2022, Indonesia's Muslim population reaches 231.06 million. It means equivalent to 86.7% of the total population of Indonesia (Sari et al, 2022).

Even though the large number of adherents of Islam is not necessarily linear with their preferences in consuming Islamic branded products, nowadays there appears to be an increasing trend of the emergence of Islamic branded products in various sectors, from food products, cosmetics, banking, fashion to services. This phenomenon is the object of study by researchers in the fields of economics and business, especially marketing.

The term "Islamic branding" was introduced by researchers, in addition to the term "halal branding" which has also become quite

popular. Although the two terms essentially have similar meanings, this research focuses on the keyword of "Islamic branding".

Khumairoh (2023) mentioned that in recent years the study of Islamic branding has begun to receive quite extensive attention from several experts. This is because Indonesian consumers' interest in consuming halal products and Islamic labels is getting higher. Many companies instill Islamic or halal identities in their production profiles (Nasrullah, 2015, in Khumairoh, 2023).

Islamic branding is interpreted as the application of a name that has Islamic elements or shows a halal identity in an item or service. This is in line with practice, where in practice it has dominant sharia principles (Arifin, 2021, in Janah & Sufyati, 2022).

This study aims to get an overview of the works that have been produced by researchers in previous studies on Islamic branding, by

conducting a literature review and classification based on the industrial sector. This research limits itself to the study of Islamic Branding literature stored in Garuda Portal. This portal provides various scientific works that have been produced by Indonesian academics and researchers. From a search for the keyword of “Islamic branding” which was published from January 2022 to June 2023, 28 documents emerged, but after selection there were 18 titles relevant to the economic and business fields.

METHOD

Classification, as one of these methods, contributes to the field by identifying the topics that are overworked, under-worked or no worked and in this way provides researchers with ideas on which topics they should focus on (Parente, 1998). In this context, this study, which aims to contribute to the field by providing comprehensive framework and classification of studies on “halal”, is an important study as the first study on the field.

This study uses the literature review and classification methods adapted from Baran (2020). According to him, a literature review can provide an overview of what researchers have produced in previous studies. In addition we can summarize, avoid replication and identify omissions or gaps.

Literature review also allows for content analysis for classification purposes. Content analysis is one of the most popular methods for qualitative research. The method is to carry out careful, detailed, systematic examination and explanation of a certain material in an effort to identify paragraphs, sentences and so on as part of a text. In this case, this research uses manual content analysis to better understand the findings.

In addition, this study also classified based on the topics of Islamic branding that were done a lot, less done or not done. So that in this way researchers can provide ideas and

recommendations about which topics need to be studied further.

The literature review process in this study is divided into six stages (Li & Wang, 2018):

Stage 1: Defining the Problem

When conducting a literature review, the first step is to define the research problem or formulate research questions for the study. At this stage, the researcher formulates research questions about how to review and classify Islamic branding literature thematically that has been produced by previous researchers.

Stage 2: Searching for Literature

After formulating the research question, the next step is to search for literature to include in the review. At this stage the researcher conducted a literature search in Garuda Portal by entering the keywords of “Islamic branding”.

Stage 3: Selecting Studies

In selecting studies, researchers consider the dimensions of diversity and their relevance to the world of economics and business.

Stage 4: Reading Literatures

At this stage, the researcher read 28 documents from the keyword search results in Garuda Portal, then selected them to become 18 relevant titles.

Stage 5: Organizing Data

At this stage the researcher performs a description and synthesis of the data, then makes a classification.

Stage 6: Writing a Review

Reviews are written with preliminary systematics, methods, findings and conclusions

RESULT AND DISCUSSION

The amount of literature on Islamic branding is still limited, despite an increasing trend. However, efforts to conceptualize Islamic branding have begun to be carried out by Indonesian researchers. According to Ranto (2013, in Rahmawaty & Rakhmawati, 2022), the emergence of the term Islamic branding is one of the efforts to segment the market brought by companies providing products or services. These companies consider Muslim consumers in Indonesia to be a potential source and a very large target market. Thus, Islamic branding has an important role in influencing consumer buying interest in halal products.

The term Islamic Branding that is commonly found today is one of the market segmentation efforts carried out by product or service provider companies with Muslim consumers in Indonesia, this makes the target market so that it is a very large potential source to enter (Ranto, 2013, in Salim, 2022).

Islamic branding combines symbols, names, and several other brand tools related to sharia principles to embody Islamic values (Afrianty & Agustina, 2020, in Djazuli et al, 2023). Nasrullah (2015, Djazuli et al, 2023) states that the use of Islamic branding can significantly influence product purchasing decisions, including Islamic banking products.

According to Baker (in Safira, 2022), Islamic branding is classified into three components: First, Islamic brand by compliance. This means that Islamic brands must describe and have a strong appeal to consumers in a compliant and obedient way in implementing Islamic sharia values. Brands that fall into this category are products produced by Islamic countries, and are aimed at Muslim consumers. Second, Islamic brand by origin. This means that the use of a brand can be done without having to depict the halal of a product because the product already comes from a country known as an Islamic country. Third, Islamic brand customers. This means that this

branding comes from non-Muslim countries but the product is consumed by Muslim consumers. This branding usually illustrates its halal status through the use of a halal label on its products in order to attract Muslim consumers.

Based on several expert opinions on Islamic branding, it can be concluded that Islamic branding is a characteristic of a brand in product associations that are stored in the minds of customers or that often cross the minds of customers (Munawiroh & Sari, 2023).

Islamic branding uses Islamic characteristics (using Islamic terms, Sharia, Islamic names, and halal labels) listed on their goods (Herawati & Guritno, 2023). Factors that characterize indicators of Islamic branding include the importance of brands, brand familiarity, consumer trust, and halal labels (Agustina, 2020, in Meinawati & Ardyansyah, 2023).

The existence of halal awareness in individuals who then apply halal awareness in their life values will encourage them to always ensure that the food products consumed are halal because Muslims are responsible for consuming halal goods (Yener, 2015, in Khumairoh, 2023).

In the view of Islam, Islamic branding is a brand that is in accordance with sharia principles, which contains many values including honesty, clarity and accountability as well as a core understanding of sharia principles (Temporal, 2016, in Safira, 2022). The purpose of branding Islam which applies empathy with sharia values is in order to attract Muslim consumers in particular, starting from the behavior and marketing communications that are carried out (Ranto, 2013, in Safira, 2022).

Even so, Islamic branding does not only use Islamic names as the main factor to attract consumers' interest, but there are also several things that must be considered such as the selection of raw materials, production

processes and others that must be considered so that consumers believe that the product really implements these values. Islamic values and will indirectly influence the decision to buy or use the product.

The increased interest in Islamic brands is a consequence of the size of the Indonesian market, growing awareness of Islamic consumption, and greater empowerment of Islamic consumers. (Mohd Yusof and Wan Jusoh, 2014, in Nidah et al, 2022). Today's Muslim consumers have started to take Islamic Branding as a consideration in determining purchasing decisions, only after seeing the quality of the product. (Aisyah et al, 2022).

Islamic brand is one of the lures of consumers to buy a product. The measurement of Islamic Branding variables refers to research conducted by Yunus et al (2014, in Salim et al, 2022), namely: The importance of brands, brand familiarity, consumer trust and halal labels.

For example, Salim et al (2022) researched the use of Islamic branding in Islamic financial institutions as a marketing strategy by using a sharia label, using an Islamic identity and being able to demonstrate operational and production halalness.

Aulia & Aswad (2022) examined Muslim consumers who had careful consideration before purchasing cosmetic products, where they checked the halal label on cosmetic products before making a purchase. Apart from Islamic branding, the BPOM label is also a reason for consumers before purchasing cosmetic products. (Aulia & Aswad 2022).

The aim of Islamic brands that adopt Islamic principles is to attract Muslim buyers through their behavior and marketing communications (Jumani & Siddiqui, 2012, in Latuconsinaa et al (2022). Being part of the product, Islamic brands should not only use Islamic names as a factor to attract buyers , but must be

considered in the selection of raw materials, production processes and so on, so as to shape society and ultimately lead to purchasing decisions (Alserhan, 2010, in Latuconsina et al (2022).

Muslim consumers are aware and have a very positive attitude towards the existence of halal products, and this influences their purchasing decisions (Paradasa & Puspita, 2022). Of the 18 existing journal titles, after conducting a review and classification, it turns out that the one that has been studied the most is Islamic branding in food products, namely research conducted by Aisyah et al (2022); Nidah et al (2022); Khumairoh et al (2023); Herawati & Guritno (2023). After that, quite a lot of research was also carried out in the banking sector.

Meanwhile, Islamic branding literature for fintech products, toiletries, institutions, hotels and services is still rare. However, these sectors have already been introduced. Classification, as one of these methods, contributes to the field by identifying the topics that are overworked, under-worked or no worked and in this way provides researchers with ideas on which topics they should focus on (Parente, 1998). In this context, this study, which aims to contribute to the field by providing comprehensive framework and classification of studies on “halal”, is an important study as the first study on the field.

Table 1. Number of Islamic Branding literatures by sector

Sector	Amount	(%)
Banking	3	16,67
Food	4	22,22
Fintech	1	5,56
Cosmetics	2	11,11
Toiletries	1	5,56
Retail products	2	11,11
Institutions	1	5,56
Fashion	2	11,11
Hospitalities	1	5,56
Services	1	5,56

Sector	Amount	(%)
Total	18	100

Table 2. Bibliography of Islamic branding literatures

Sector	Bibliografi
Banking	Salim et al (2022); Fitri et al (2022); Djazuli et al (2023).
Food	Aisyah et al (2022); Nidah et al (2022); Khumairoh et al (2023); Herawati & Guritno (2023)
Fintech	Safira & Rahmanto (2022).
Cosmetics	Aulia dan Aswad (2022); Rahmawaty & Rakhmawati (2022)
Toiletries	Latuconsina et al (2022)
Retail products	Paradasa & Puspita (2022); Kholiq et al (2022)
Institutions	Ghufron et al (2023);
Fashion	Sari et al (2022); Meinawati & Ardyansyah (2023)
Hospitalities Services	Janah & Sufyati (2022) Munawiroh & Sari (2023).

Based on the data above, it can be seen that the study of Islamic branding has begun to expand in various sectors, where there are at least 10 sectors based on the researcher's classification. The food, banking, cosmetics, retail and fashion product sectors are likely to be increasingly studied by Indonesian researchers.

CONCLUSION

The literatures on Islamic branding in general are still limited, but predicted in the future those will become interesting topics for researchers. Of the 18 titles of Islamic branding-themed journals from January 2022 to June 2023, the most researchers paid more attention to food and banking sectors, followed by the cosmetics, retail and fashion sectors. Fintech sector, toiletries, institutions, hotels and services are still small, but they have already been introduced. Considering

that there are only 10 sectors studied, this shows that the opportunity to conduct research in other sectors is still wide open to generate novelty.

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