Exposure to Brand Experience and Tolerance for Failure in Retail Halal Brand Belief: From the Perspective of the "Payung Rahmah Program"

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Article DOI: 10.48028/iiprds/ijaraebp.v8.i1.13

Abstract

This study attempts to decipher the pattern of effects consisting of brand experience (BE), tolerance of failure (TOF) and brand belief (BB) on retail halal brands. It measures BE as a separate construct and to test whether BE can be a determinant of BB and this relationship can be mediated by TOF. The data was collected from three different supermarkets in Klang Valley in context of retail halal brand buying (N = 720) and analysed through Structural Equation Modelling (SEM). The results indicated that BE can be primary determinant of BB and the relationship between the two is mediated by TOF. The results of this study will help retailers for proactive strategies to take advantage of the "Payung Rahmah" program.

Keywords: Brand experience, Tolerance of failure, Brand belief, Retail halal brand

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IJARAEBP

Vol. 8, No. 1

June, 2024

First Published: https://myjms.mohe.gov.my/index.php/ijaref/article/view/24178/13205

https://internationalpolicybrief.org/international-journal-of-advanced-research-in-accounting-economics-and-business-perspectives-volume-8-number-1/

Background to the Study

Creating a successful retail halal brand is a challenge. More so when you are in a crowded marketplace, competing with thousands of other brand producers with strong brands. Being heard above the noise and connect with your target audience may seem almost impossible, at times. Nearly two-thirds of consumers around the world will buy or boycott a brand solely because of its position on a social issue, according to the Edelman Earned Brand (2018) study, a staggering increase of 13 points from 2017. Belief-driven buyers are now the majority across markets, including in the U.S. (59 percent, up 12 points), Japan (60 percent, up 21), the UK (57 percent, up 20) and Germany (54 percent, up 17); age groups, 18-34 (69 percent), 35-54 (67 percent) and 55+ (56 percent); and income levels, low (62 percent), middle (62 percent) and high (69 percent) (www.edelman.com). Past studies (Brian & Michael, 2000; Till & Busler, 2000; MacInnis & Park, 2005; Petty & Tormala, 2002; Romaniuk & Sharp, 2004; Romaniuk, 2003) finds that consumers believe that brands in general are a more powerful force for societal change than government. More than half of people believe that brands can do more to solve social ills than the government. Consumers are electing brands as their change agents. Brands now are pushed to go beyond classic business interests.

It is a new relationship between company and consumer, where purchase is premised on the brand's willingness to live its values and act with purpose. It is believed that the successful of retail halal brand is built on trust and beliefs. Thus, understanding and implementing core elements that are fundamental to the retail halal brand is critical and can be achieved for a greater brand experience both local and global that shore up brand equity. Creating retail halal brand success is all about creating an emotional connection with the target market through a compelling brand promise thus build the right retail halal brand identity.

In Malaysian, government recently introduced the "Payung Rahmah program" to help the low-income group prepare to face with the cost-of-living issue which is expected to be more serious in year to come. The program was a short-term measure to reduce the living burden of the group during this six-month period. Discussion with several industry players has been held, including the national retail retailers and distributors, to implement the Bakul Rahmah (Love Basket) initiative. The aim is to help the people to continue their daily lives in the current increasingly challenging world economic situation. For this purpose, retailers especially need to try to help the government's initiative by offering basic halal retail foodstuffs that are suitable for the target group.

The study is guided by the following objective: To explore the extent of consumer support for retail halal brands.

Research question and hypothesis:

The following research question and hypothesis were posed to guide the study:

- Ro1: Will consumers show interest in this program by buying goods from retailhalal brands?
- H1: Consumers show their positive interest in this program by purchasing goods from

retail halal brands through their brand experienced (BE), thus BE will have a positive influence on brand belief (BB)

- RO2: Will consumers tolerance of failure affect their buying for retail halal brands?
- H2: Consumers tolerance of failure (TOF) mediate consumer brand experience (BE) and their brand belief (BB) in buying for retail halal brands thus, TOF will mediate the relationship between BE and BB.

Discussion and Conclusions

The intense emotional belonging of consumers can be assessed using consumer brand experience against retail halal brands. Retailers can use consumer brand experience either as a separate index or it can also be used as a construct for overall consumer support for retail halal brands. Correlation can be developed between overall retail marketing effectiveness and consumer brand experience towards retail halal brands over a period of time. Consumer tolerance of failure and brand belief for retail halal brands have the desired and the adequate level of service. The findings have shown that the implications for retailers to understand that consumer brand experience can be linked to brand belief and consumer tolerance of failure can be a mediating factor, therefore, the focus should be on how the overall consumer brand experience, as a result of the "*Payung Rahmah Program's*" marketing activities, is translated into consumer brand experience.

This study defines the concept of consumer brand experience and provides empirical evidence regarding consumer brand experience as a key construct that can influence brand belief by recognizing the bidirectional nature of both emotion and cognition and how this relationship is mediated by consumer tolerance of failure. Consumer brand experience is defined, measured and used in the model as a separate construct, it is not used as an attitude strength. In terms of concept, consumer brand experience is not necessarily an individual tendency or difference owned by the consumer. It is mainly based on a consumer's emotional experience towards retail halal brands in a period of time where a consumer feels 'affective certainty' towards retail halal brands. The use of consumer brand experience as a separate construct will broaden the scope of confidence in consumer research. It can be further used in other existing models based on conceptual justification. The results of the study clearly show that there are still many things that need to be done by all parties involved directly or indirectly to ensure that every community in Malaysia is interested and subsequently buys halal retail brands. Retailers need to promote this brand more aggressively. If this effort is carried out continuously, it is not impossible that halal retail brands will be the choice of the community in the future.

This study is not without limitations. To begin with, the use of a convenience sample limits research results to a specific sample, which means that findings cannot be generalized to a larger population (Hair, Anderson, Tatham, & Black, 1998). This limitation would be a problem if the purpose of this study was to test the theory. However, since the main goal here is to build theory, the lack of external validity becomes less of a problem. The evidence sought in this study is only preliminary and based on a small sample, this study needs to be further confirmed by a larger sample size. Second, the current research has examined the proposed relationship in the context of low-involvement products (i.e., retail halal brands). Investigating

the effects of consumer brand experience and consumer tolerance of failure on brand belief in other product categories (such as high-involvement products) may prove a fruitful research effort. Third, future research may examine the simultaneous effects of consumer tolerance of failure and consumer brand experience on brand belief through other regression techniques. Finally, future studies should use a longitudinal (panel) design with real data on brand belief. Specifically looking into different age groups, if consumer brand experience differs across different age groups.

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