The Lifestyle Halal in European Marketing

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Abstract: Muslim Markets "halal markets" in Europe are witnessing today intense activity and remarkable expansion, prompting many researchers and academics to engage in and adjust the rules of Islamic marketing in accordance with the Western reality and to compete with the traditional capitalist markets.

In this paper we present two opposing issues that we try to address and analyze them; On the one hand we try to analyze the radical Western companies in the purely western productive orientation, the other hand, to analyze the Islamic way of life among young Muslims migrants. At first we try to deal with a range of issues, most notably; the compatibility of Islam and the rules of Islamic markets with the traditional marketing vision. On the other hand the extension of the Islamic way of life to capitalist bourgeoisie. We concluded latter, that many local companies have succeeded by taking advantage of the pillars of Islam in the acquisition of the Islamic market and creation of an Islamic marketing that would permit to this young Muslim lifestyle that they looking for according to their cultural and religious beliefs.

JEL Classifications: N2, L2, L11, E44, D1
Keywords: Islamic markets, Foods industry, Marketing, Lifestyle halal, Islamic rules

1. Introduction

Trade and Profit motives have always been encouraged in the Quran, Sunna and hadith\(^9\) but always within the rules of Islamic ethics (the Shariaa\(^10\)).

The number of Moslems and Islamic markets in France, Belgium and Netherland for example is higher than in other European countries. As a consequence the volume of investment and profit that is gained by these halal\(^11\) companies is attractive for these host countries.

The markets can be found in different places in western countries even in mosques.

Many years ago, halal trade was not organized but it was progressing slowly and succeeded to supply 80% of the volume of the consumption of the Moslem and African community.

This fact attracted many western companies specialized in producing food, and branding companies in Europe. In this way Islamic working started.

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\(^9\) Quran is the sacred writings (book) of Islam revealed by God to the prophet Muhammad during his life at Mecca and Medina (Saudi Arabian). Sunna is the way of life prescribed as normative in Islam, based on the teachings and practices of the prophet Muhammad. hadith is a report of the sayings or actions of Muhammad or his companions, together with the tradition of its chain of transmission.

\(^10\) Sharia is the sacred law of Islam.

\(^11\) Halal is a meat that has been slaughtered in the manner prescribed by the shari'a. He is a term designating any object or an action which is permissible to use or engage in, according to Islamic law.
Many branding western companies have shown an ability to adapt with these Moslem markets and most of the time, they try to impose their ideas, to impose their consumption way, to accept the western product, fashion and entertainment permitting to opening of new opportunities for companies that produce clothes, food, medicine, TV programs even dolls and toys.

In the following lines we discuss the development of Islamic markets in the western countries. European countries in particular, the economic activities of these Moslem markets and the quality of its products and their distribution. We will also discuss other titles such as; life style in western countries, development of food industry and the requirement of halal certification for Islamic food, etc. .

2. The Islamic markets

2.1 Business in Islam

Islam as a divine theory is convenient to any place and to any time. The rules of Islamic ethics (shariaa) do not intersect in a general way with economy and with marketing in particular except for some restrictions at the level of organization. It also doesn’t contradict with marketing as a science. The prophet Mohamed (PbUh) was himself an honest and successful trader very popular for his honesty and responsible and his moral ethics.

Islamic rules are rules that organize activities and restricts only work with products and activities that are prohibited (haram) or unethical behavior.

Islam places great freedom of work to the trader who works in halal activities. Besides you wouldn’t find at any place in the Quran, the Sunnah or hadith any text that says that the commercial activity for profit motives and for enrichment is something bad.

Some pillars of Islam represent unprecedented opportunity for trade and profit. This is the cause during the fasting month of Ramadan, the pilgrimage (Hadj or Umrah) to the holy places in Saudi Arabia.

The month of Ramadan is also an opportunity for the production of musalsalat (television series) that millions of Moslems watch in this month.

The Pilgrimage to the holy places (Mecca and Medina) is another pillar of Islam which is a significant source of revenue for travel companies, airlines, tour operations and hotels.

2.2 The development of Islamic markets

For several years in the west, outside any specific regulation halal trade was discreet and halal products occupied a modest place in the commercial shopping areas and sometimes near dog food up to the day when these countries felt the necessity to get rid of their complex and to communicate with any religious event so as they can make a better profit.

Now halal products occupy the position that they deserve in the biggest shopping areas where we can have complete areas where these products are displayed for five million or seven million Moslems living in France and Germany respectively.

As a consequence industrialists were obliged to adapt to the new situation and to meet the need of a growing Moslem community in thin the Islamic rules (the Shariaa).

This does not mean that the Moslem with the Islamic companies is in a situation that makes him

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12 Hadj is the fifth pillar of Islam and a pilgrimage to Mecca during the month of Dhu al-Hijja; at least once in a lifetime a Muslim is expected to make a religious journey to Mecca and the Kaaba. The Umrah is a pilgrimage to Mecca, Saudi Arabia, performed by Muslims that can be undertaken at any time of the year.
understand the local market better than the Western entrepreneur with the western markets.

Most of the time Moslems lack the capacity to use developed means such as retailing, marketing, and précising the objectives and the sites unlike the companies in the western environment. The French sociologist Florence Bergeaud-Blacker says in his book “understanding halal”\[13\] that at the time of festivals like Ramadan\[14\] or Eid\[15\] dedicated areas have emerged. Even when the shelves were removed some references are still here today entire aisles are reserved for promoting Islamic products.

In a gloomy economic environment, were food consumption is regressing, so now all have their eyes on the purse of four to five million Muslims living in Europe manufacturers and distributors therefore adapt their to meet the religious requirements of Islam.

2.3 The company and Islamic food industry

During religions seasons and feasts there is a big increase in the demand on halal products by the Moslem community living in the western countries. So several French, Belgian, Danish and German companies decided to take part in this adventure and to invest in food industry, which consists in producing all kinds of meat, prepared food, sandwiches and food in restaurants.

In front of such a competing situation a lot of small and medium enterprises tried to position themselves in these new specialized markets. The difference in religion has never been an obstacle for these western companies to successfully sell halal food in France, Germany and other countries where Moslems live.

In addition European businessmen are now seeking to produce halal products even in Muslim countries and this competing with local products with the same success. On this basis, it is important for businessmen and manufactures to get interested in local markets and producing for this Moslem community of different cultures. These western companies are much more qualified than Islamic companies which still work traditionally and do not have the ability to use sophisticated tools such as marketing segmentation, targeting and positioning. They have a complete understanding in this domain, also a qualified labour force so they are better positioned. But there are some Islamic companies which have proved efficient and capable to compete with the western companies. As an example we can cite the distribution groups in the Gulf countries as it is the case with “Savola” from Saudi Arabia, the Panda and its huge supermarkets, or the company of the Emirate businessman Majid El Fatim specialized in food Industry. These companies succeeded to position themselves in the western countries and even to complete with these foreign companies. As such “Quick 100% halal” and “Isla délince” benefit much from this new market. However vigilance is required to discern the false halal products that come from the processing of rotten products (Frozen as poultry meat) added to salt, conservatives, stabilization.

2.4 The Islamic financial product

Supermarkets are trying to develop their halal food pavilions. Furthermore Quick restaurants undertake marketing test experiments on food where Muslims are targeted. In this context, they focus on banking retail which is specific to individuals in order to give them place in islamic marketing in western countries. Banking services are trying join the prohibited activity and attract muslims customers towards its services. They are totally aware of the consequent reserve of muslim customers.

14 Is the ninth month of the Muslim year, lasting 30 days, during which strict fasting is observed from sunrise to sunset.
15 Eid al-Fitr also ’Id al-Fitr marks the end of the month-long fast of Ramadan in Islam. Also is known as the Feast of Fast-Breaking.
According to a study which was undertaken in April 2008 by IFOP\footnote{Ifop is since 1938, one of the pioneers and major players in the market for opinion polls and marketing surveys. Ifop is structured around six areas: public opinion and business strategies, consumer products, services, and digital media, health, luxury.}; “The majority of them (55%) are interested in “banking services which are consistent with their religious or ethical beliefs,” Furthermore the political will to open the market for Islamic finance does exists besides the authorities in European countries are in fact for prepared for realizing them.

Today the products which are banned by Koran like prohibition of gambling, prostitution pork, speculation, interest are not permitted in France.

The law also requires, for example, displaying an APR (annual percentage rate) in the contract of a consumer credit, a rate which is discrepant with the prohibition of interest rates that Islam provides. Monetary authorities give priority in providing switched and legal environment to financial banks (investment) which are consistent Islamic law in order to attract with the funds that come from Gulf countries

But is the easing of European law sufficient to convincing banks in different European countries to venture into the distribution of Islamic products to individuals, as did the Casino supermarkets by launching its brand distributor of halal food?

With their experience in this field through their specialized subsidiaries in the Middle East, they have mastered the tools of Islamic finance. Several paths can be considered: the distribution of Islamic products in agencies dedicated to creating a new brand focused exclusively on Islamic finance or the trivialization of Islamic finance products which would be distributed in the traditional networks. But the debate about the experience of Quick suggests that this is not necessarily profitable in terms of image. The initiative could therefore fall to a foreign bank. According to Equinox Consulting, an independent consulting firm to financial institutions, agencies between 500 and 700 (on an existing network of 27,000) could be Islamic storefront next 15 years, an optimistic scenario. While indeed depend on the ability of Islamic finance to develop attractive products and competitors to the traditional one. Based on the UK market for over five years and the first Islamic retail bank in the United Kingdom, the Islamic Bank of Britain has opened eight branches for less than 50,000 customers.

3. Marketing and Islam

3.1 Marketing in an Islamic environment:

The principle of social justice of the shariaa requires that the producer or the contractor is not entitled to win more than a certain percentage of the purchase price of the product sold. His gain is calculated in affair way taking into account the effort furnished to distribute and commercialize the product, the purchasing power of the consumers and to prevent the rapid enrichment of individuals.

This principle is fundamental and very characteristic of marketing and Islamic finance in general and the Islamic and the productive system in particular. As a consequence some restrictions are put forward.

In addition Islam dictates to the seller and the consumer the behaviour to follow in their economic and trading activities, so every western company has to respect (submit) these Islamic laws and take necessary precautions before launching a bid for Islamic markets in order to avoid any discordance with the rules of the Shariaa and the values of Islam and therefore avoiding any boycotting.
3.2 Marketing and Islamic branding

The strong growth in Halal food market in particular has led to the launching of new and diversified product that the Moslem consumer can found in shops easily and also in Large and medium surfaces Ramadan has became an essential factor of growth and flourishing of halal products since 2009.

The specialized companies continued to attract more consumers by putting bill boards. It should be noted that the halal market in France is five million people of immigrants from the Maghreb, Turkey and Sub-Saharan Africa. According to El Kenz\cite{17}, ... specialized in providing commercial information to meet the consumers needs it never happened before that academicians and enterprises showed such interest in Islamic marketing.

Several agencies have specialized in the marketing community and the halal market. A great amount of money is invested by industrialists traders such as the agricultural or industrial companies and telecom groups to approach the Moslem consumer.

3.3 Communication and advertising

The specialized branding companies did not hesitate to engage in advertising through the biggest branding companies and communication strategies since this latter was ambiguous, advertising was establish by using a catalogue that presented all products.

In terms of advertising approach, some commercial brands have fairly succeeded to make some discrete markets very popular by using a specific method where they use posters featuring a rooster and a Charolais beef with a slogan: “Proudly Halal” one way to understand that Muslims in France want to eat the same products as the French (Lambda).

Large groups communicate by taking sort ways: mixing halal products with oriental folklore in a way to combine eastern and western cultures and using polite and acceptable terms by the two parts: most of these groups continue to play indiscretion card to adapt to the customer. In some stores the consumer can find complete rays with A shelves full of a variety of halal product according to the consumer’s taste and desire.

The same goes for advertising: some magazines may promote these products, others not halal appears... slowly.

Halal brands continue to develop itself and a new method of advertising through commercial channels through radio and national television at prime time.

According to Solis institute, the value of halal market with its products and fast food is estimated at 5.5 billion euro since the demand on halal products is in great expansion with launching new products and specific services, so support of media and community is essential for success because of its power to reach the target rapidly and efficiently.

4. Life style halal

4.1 Behavior of Moslems in Europe

The emigrants in western countries have a deep faith to preserve an Islamic life style similar to that of their parents; this has generated the interest of young Moslems born in the host country. Gradually the penetrated the world of trade and commerce and brought Islamic symbols and signs that goes with the expectation of the Moslem consumer. In this may a new project saw the light in a form of product and services for the Moslem consumers. This new situation has led some Moslems

\footnote{Al-Kanz is an information portal aimed at Muslim consumers created by F. Kimouche in France.}
especially young people to stick firmly to this culture. Some researchers\(^\text{18}\) think that this is one kind of extremism and traditional halal life style in the Host country. This situation has opened the door widely in front of new companies that are looking for marking profits through buying and selling Halal products whether they are clothes, food, medicines, dolls, TV, programs and other services such as Islamic finance (banking, security etc...).

4.2 Demand for food products and consumer's expectations

In Islam there are precepts that certain food are allowed (halal), others are prohibited (haram). So eating pork meat and consumption of alcohol are considered as prohibition and from this conception a new form of consumption called halal was born.

Halal is no longer a simple, unimportant concept in the mind of the western and European industrialists and traders: it is constant expansion and has conquered the field of promotion (including television) and other popular big names it has become very competitive.

“Up to now the market is in the hand of few operators, and it is exploding “concluded the expert consultant Xavier Terlet the CEO of xts. The Halal market is exploding to reach 615 billion dollars a year.

The Moslem woman is a privileged target for many businesses because the woman is a reference for producers of household equipment, food productions, clothes etc... Women are major consumers of perfume, make up and clothes including under wear.

According to a survey conducted in France by Solis, a firm specialized in ethnic marketing, the chain of distribution of halal products that long confined to traditional trade now extends to include network large surfaces, supermarket large exhibiting network that exhibit halal products, we can cite the huge chains of hyper markets and the largest groups specialized in the agricultural food industry in France.

The demand of the Moslem community and their expectations are wide with respect to halal food, since 93.6% of the population of north African origin and 55% of the population from subsaharian Africa consume halal products (meat, processed meat and ready food).

The Islamic market is a flourishing market that can reach a turnover of five and a half billons dollar in 2010 according to a study on ethnic marketing conducted in 2009 by SOLIS\(^\text{19}\) firm estimates. It also indicates that 4-5 billion dollar will be spent by House olds on their food.

4.3 Halal certification required

Halal products are present everywhere in large surfaces and in super markets and are flourishing and expanding day after day. We can say that halal market is a profitable and a flourishing market since it concerns many millions consumers.

The local authority in all the European countries, who Islamic markets is flourished, requires that products must be certified to get the Halal label.

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\(^{19}\) SOLIS is SOLIS publishes results of surveys on the halal market. These surveys conducted about populations from the Maghreb (Algeria, Morocco, Tunisia) living in France. The behaviors of the consumers of halal products (deli meat, dishes ...) with the frequencies of purchase, dollars spent the distribution channels, brands purchased; the reputation and image of brands active in the market today.
The chamber of commerce and industry of Brussels for example provides this service after an inspection of an imam\textsuperscript{20} in the factories that are specialized in Halal products. These certificates\textsuperscript{21} are not imposed at the local or domestic market for example restaurants are not inspected, but these certificates are imposed at the source an factories that are responsible for overseas export because the Islamic market is a market of one billion consumer\textsuperscript{22}.

The war between Halal certification agencies proves that the market is growing. The explosion of sales in Halal products in France has created a climate of a strong competitively between the different agencies responsible for providing certificates that proves the legality of these products and their conformity with the Islamic ritual amid a debate that is more commercial than religions\textsuperscript{23}.

5. Conclusion

In this paper, we tried to show first the importance of market and marketing, Islamic finance and the extent of persistence of the expatriate community in Western countries in general and European in particular towards Islamic culture and teachings of Islamic law, especially with regard to halal food. We also indicated how European companies which are specialized in food processing and its distribution to large numbers of Muslim consumers. We therefore tried to understand their desires and tendencies as well as understanding the local market or Islamic market by taking the opportunity to cope with the new economic situation and make consequent profits as well as raise the value of the GDP of these countries.

Young people represented a large proportion of this huge number of consumers and new clients for these companies which specialized in halal food. Large business groups, large supermarkets, suites halal food and communication system like commercial signs, radio and television to ensure advertising and publicity in order to attract the large number of clients as well as achieve large profits.

What was seen by some as a "replacement" of the dominating economic system may be analyzed in terms of an extension of the capitalist system dominance which often tries to influence what surrounds besides finding new markets even if it took different names. This falls within the framework of the new form of global capitalism, which mainly depends on the image and symbolism which passes foster publicity. According to Michel Clausar\textsuperscript{24}, this form of capitalism is based on market economy, which looks satisfaction of consumer’s desires and the will of moving the economy towards profit making.

The research adds: "in the Islamic market instead of consuming goods and services man consumes symbols, signs and moving words." The Symbols and signs and practices went out of its original framework to be reconsumed in the form of a commodity.

It was also concluded that the chain distribution of halal food which was confined to a long traditional trade is today extended to the network for large areas, supermarkets and also promote giant networking which provides and promotes the offering of products, competing with traditional food industries.

\textsuperscript{20} An imam is an Islamic leadership position, often the worship leader of a mosque and the Muslim community.

\textsuperscript{21} Bruno Bernard, certifier for the Chamber of Commerce and Industry of Brussels, Belgium.


\textsuperscript{23} according to a study on ethnic marketing conducted in 2009 by SOLIS (Reuters / Regins Duvigan).

Finally it was concluded that there was a generation of young expatriates rejects, despite the long period spent in the Western culture, everything wish is new comer and outsider. Youth desire to return to their sources in non Islamic environment where they raised and grew up.

References


