

---

Čedomir Nestorović

# Islamic Marketing

Understanding the Socio-Economic,  
Cultural, and Politico-Legal  
Environment

---

# Contents

<b>1</b>	<b>Introduction . . . . .</b>	<b>1</b>
<b>2</b>	<b>Economic Environment . . . . .</b>	<b>7</b>
2.1	Economic Indicators . . . . .	8
2.1.1	Purchasing Power Estimates . . . . .	31
2.2	Demographic Indicators . . . . .	42
2.2.1	Muslims in Numbers . . . . .	45
2.2.2	Muslims in OIC Countries . . . . .	49
2.2.3	Muslims in Western Countries . . . . .	53
2.2.4	Changing Social Structures and Segmentation . . . . .	63
2.2.5	Ansoff's Matrix and Children's Market . . . . .	75
<b>3</b>	<b>Socio-Cultural Environment . . . . .</b>	<b>87</b>
3.1	Social Environment . . . . .	95
3.1.1	Individualism vs Collectivism . . . . .	96
3.1.2	Power Distance Index: PDI . . . . .	100
3.1.3	Masculine vs Feminine Values: MAS . . . . .	104
3.1.4	Uncertainty Avoidance Index: UAI . . . . .	106
3.1.5	Long-Term Orientation: LTO . . . . .	108
3.1.6	Indulgence Index: IND . . . . .	110
3.2	Cultural Environment . . . . .	118
3.2.1	Traditional Channel of Transmission of Culture: Religion . . . . .	119
3.2.2	New Channels of Transmission of Culture: Education and Mass Media . . . . .	129
3.2.3	Static Element of Culture: Language . . . . .	135
3.2.4	Dynamic Elements of Culture: Art, Symbols of Beauty and Fashion . . . . .	146
3.2.5	Resistance to Change . . . . .	161
3.2.6	Distribution and Communication . . . . .	165

<b>4 Political-Legal Environment . . . . .</b>	173
4.1 Political Environment . . . . .	184
4.1.1 Organization of Islamic Cooperation . . . . .	194
4.1.2 Arab League . . . . .	200
4.2 Legal Environment . . . . .	207
4.2.1 Muslim Legal Environment: Shariah . . . . .	207
4.2.2 <i>Hadiths</i> and Property . . . . .	213
4.2.3 Qiyas (Analogy) . . . . .	217
4.2.4 Ijma (Consensus) . . . . .	218
4.2.5 Ijtihad (Independent Reasoning) . . . . .	218
4.2.6 Shariah-Based vs Shariah-Compliant Products . . . . .	219
4.2.7 Halal Food and Islamic Finance: The Burden of Proof . . . . .	225
4.2.8 <i>Halal</i> Food Certification Process . . . . .	227
4.2.9 Islamic Finance Certification Process . . . . .	229
<b>5 Conclusion . . . . .</b>	245