

Demystifying the rise of spiritual brands in the emerging markets: Impact of religiosity, spirituality and materialism on consumer demand

Introduction

With the recent rise in the importance of the 'Emerging markets' for the global economy, marketing academics and managers are trying to understand the unique challenges and opportunities faced by the marketers in these markets (Kumar, Sunder and Sharma 2015; Narasimhan, Srinivasan and Sudhir 2015; Pels and Sheth 2017; Roberts, Kayande and Srivastava 2015; Sharma et al. 2018; Sinha and Sheth 2017). In addition, there are growing calls for fresh theoretical perspectives and conceptual frameworks to examine and explain the everyday lives of the emerging markets consumers and their implications for the marketers who are trying to satisfy these customers (Burgess and Steenkamp 2013; Roberts et al. 2015; Sharma et al. 2018).

Recent studies respond to these calls by exploring the impact of the changing social values and norms that are driving consumer behavior in the emerging markets, such as materialism (Awani, Schlegelmilch and Cui 2017; Sharma 2011; Yang and Stening 2016), aspirational values (Javalgi and Grossman 2016) and status consumption (Shukla 2010). However, there is very little research on the impact of religion on the behaviors of consumers in other emerging markets, despite considerable evidence about its role in their everyday lives (Mathras et al. 2016; McAlexander et al. 2014), except a few studies on the consumption patterns of Muslim consumers (Cleveland, Laroche and Hallab 2013; El-Bassiouny 2014; Schneider, Krieger and Bayraktar 2011), role of halal branding (Butt et al. 2017; Jamal and Sharifuddin 2015), and impact of religiousness on ethical decision making (Arli 2017; Arli et al. 2017).

Similarly, there is hardly any research on the role of spirituality in the lives of consumers in the emerging markets despite growing evidence about its impact on consumers around the world (Chowdhury and Fernando 2013; Kale 2006; McKee 2003; Rindfleish 2005; Shaw and Thomson 2013). Finally, past research on branding in the emerging markets mostly focuses on either the country-of-origin effects (Hamzaoui Essoussi and Merunka 2007; Jin, Chansarkar and Kondap 2006; Sharma 2011) and the performance of local versus other brands (Alden et al. 2013; Eckhardt 2005; Sun et al. 2017; Tanusondjaja et al. 2015; Zarantonello, Schmitt and Jedidi 2014) and on co-branding (Chen et al. 2017) and brand extensions (Fu, Saunders and Qu 2009). However, there is little research on the home-grown brands in the emerging markets and their unique marketing strategies that have made them household names in those markets.

This paper addresses all these research gaps by extending recent research on the impact of religiosity, spirituality and materialism on the purchase decisions of consumers in the emerging markets (e.g., Sardana, Gupta and Sharma 2018) to hypothesize a positive impact of the perceived role of spiritual leaders on the value perceptions and purchase (PUR) of products endorsed by these leaders. The authors also hypothesize that this process would be mediated by normative community pressure (NCP) and product credibility (PCR), as well as moderated by intrinsic (INR) and extrinsic (EXR) religiosity, and spirituality (SPR). The paper reports findings from two survey-based studies, in India and Indonesia, two large emerging markets, which support most of these hypotheses. The authors discuss the implications of their findings.

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