Corporate Image, *Shariah*-Compliance, Public Perception of Rayani Air Islamic Airline

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Abstract

In future, business aviation will emerge as the premium travel resource for public utilization. Most of the airlines corporation around world widely implement the standard corporate identity which by derived from Western culture for ages. Rayani Air was the fourth Islamic airline in world and the first Islamic carrier in Malaysia who offered *Shariah*-compliant service. It was established by the non-Muslim founders in order to fulfill the gap of needs and demands among the Malaysia customers and public who wants to work in the aviation field. Their establishment got spectrum attention from the top to bottom line of public in Malaysia and most of them are positive remarks and cherished by the Muslim especially. After excellent performance from its inaugural launching, their top notch reputation and credibility declined as they failed to solve several issues and crisis that occurred because of their management shortcomings. It tarnished the Islamic corporate image that they promoted as it against what they projected through their *Shariah-compliant* service. Based on the interview sessions with the informants who were the ex-customers of Rayani Air and interviews with the aviation and *Shariah* experts, the researcher found that their perceptions were changed like a fluid from positive to negative when it comes to this company's corporate image.

Keywords: Islamic Corporate Image, Perception, S*hariah-compliance,* Rayani Air, Corporate communication

1.0   Introduction

Rayani Air's Islamic corporate image had received high saturation from media internationally. Many were impressed and excited with its establishment as it is wanted by some of Malaysia's public. This attractive branding and promotion strategy were alluring for them to try out the service without any hesitation. Rayani Air actually and is actually has a great significance image and area of expansion of business industry in aviation area within the scope of Islam conduct. Rayani Air has set a benchmark that gave a niche to Malaysia public especially Muslim for the local airline alternative and preference.

Rayani Air was the fourth Islamic airline in the world after Royal Brunei Airlines, Saudi Arabian Airlines and Iran Air and Rayani Air was vividly known as the first Islamic airline in

Malaysia and in fact the first in world that implemented *Shariah* compliance in its service as reported via The Australian website, 7:08PM December 23, 2015. For example, they did not serve alcoholic drink and the staff wore fully hijab. It attracted a huge saturation in worldwide media as a low-cost airline which stands in its own Islamic corporate image even though the founders are local non-Muslims. Barely a month into its operation, the airline has been lauded for its top-notch in-flight service and became the nation word-of-mouth and Muslim mostly was proud of its establishment. The media and word-of-mouth saturation that had received by Rayani Air were from public, from top to bottom society from all over the world. The service shut down brought a lot of spectrum ranges among the ministers, politicians, *ulama'*, flight authorities, passengers, and observers. Since it used Islamic image and identity as their company label, corporate image, policy, services, marketing strategy and more, the public reaction towards its service consistency failure affected the Islam image itself especially among the non-Muslim. This was proven when this company has been hit by multiple disappointing complaints over its service and embroiled in repeated controversies. Thus, it is pertinent to find out the public perception on Rayani Air's Islamic corporate image after its terminated service and how would they perceive the possibility of Rayani Air's comeback and also other airlines that would use the same Islamic corporate image and *Shariah*-compliance in future.

2.0   Islamic Corporate Image

Rayani Air fully utilized the Islamic corporate image as their branding strategy. The preference of brand is important as it also considered as the great lead to the competitiveness of the existence of offers given because the brand is usually associated with a specific image that can create certain associations in the minds of consumers (Aaker, 1997). Basically, how the company positioning their product will create certain intended image that they decided at the early of operation. The creation of unique brands that became the starting point for the creation of marketing characteristics that can strengthen the brand image of the organization (Chaudhuri & Holbrook, 2001; Ghodeswar, 2008; Srivastava, Fahey and Christensen, 2001; Pujadi 2010).Most indicated that the Islamic corporate image of Rayani Air can be seen through its covering 'aurah' staff uniform attire, halal F&B, do not serve alcoholic drinks, *doa* recitation before take-off. Only 1 informant mentioned about the green color and Arabic font that were used represented the Islamic religion. Majority of the informants felt that their corporate image portrayed some of the Islam values.

Islamic Brand is thus a brand that refers to the image of Islamic complied goods or services. It is not a brand that consists of alcoholic drinks or pork or harvest or gain from gambling or casino activities. Instead, they are goods and services oriented to all mankind according to the purposes of Islamic *Shariah* (Dr.Osman Chuah Abdullah, 2012). A good image of organisation alone is not enough. Understanding the competencies trait of the corporations may yield distinctiveness to achieve a truly good reputation (Podnar, 2004). This is what Rayani Air has been undertaken into their company branding which resembles their corporate image. As defined by Alserhan, B. A. (2011), Islamic branding can be defined in 3 different spectrums which the Islamic descriptor is used either by compliance, by origin or by customer. Rayani Air is typically used the Islamic brands by customer. It fits the criteria which the owners are non-Muslims. The use of Islamic image is because its target customers mostly are Muslims.

3.0   *Shariah*-Compliant Service

There is a unique difference between *Islamic* and *Shariah* terms in business operation which Islamic is more on the image while *Shariah* stress on the obeying the Islam rules and regulation in the business operation. A *Shariah*-based company in contrast will implement 360 degrees of *Shariah* regulation in its operation, human resources and other departments entirely. Thus, Rayani Air is literally an Islamic airline company and practically conducted the *Shariah*-compliant service. This is also supported by 3 academicians from Usul Fiqh Department, UIA. The *Shariah* experts said that Islamic and *Shariah* are separated terms. Islamic and *Shariah* are related to the implementation of Islam law and regulation itself appropriately as encouraged by Holy Quran and Hadith. Whilst, *Shariah*-compliance means we take the elements of Islam and modify it to the needs of a particular things or events through adjustment. Islamic and *Shariah* are related to the implementation of Islam law and regulation itself appropriately as encouraged by Holy Quran and Hadith. Whilst, *Shariah*-compliance means we take the elements of Islam and modify it to the needs of a particular things or events through adjustment. It means do changes here and there and alter it to the current needs and objectives. The meanings of these 3 Arabic terms are deeper and beyond the researcher's understanding, thus they simplify it to the researcher by giving example of Islamic bank. A bank concept is derived from capitalist system but Muslim takes it and modify to the Islam tradition or regulations. This adoption and adaption is called as *Shariah* compliance. In relation to Rayani Air, their uniform is not fully Islamic but considers as covering '*aurah*' and implemented *shariah*-compliance at average scale.

4.0   Public Perception on Rayani Air

Initially, we can see that Rayani Air got their support from public because of the subjective reason mostly related to their religion values which lead to the emotion attachment of the Muslim costumers' need. Corporate image in this sense has been found as an important factor in an evaluation of a company (Fombrun, 1996), influencing customers' perception of the services offered and the companies they choose.The failure of Rayani Air to maintain its good Islamic image due to its declined quality service affected the costumers and has caught the attention of media and audience. It has caused plethora of reactions and feedback among Malaysian. Undeniably, this lead to the new perception on Rayani Air or any upcoming Islamic Airlines image in future among public. The perception is built either based on the own experience consuming the Rayani Air services or experience sharing such as word of mouth or media effect.

Majority informants have good perception of Rayani Air, they felt that Rayani Air has set a new benchmark for local domestic airline by their Islamic corporate image. They were glad that finally there was a carrier that willing to implement the good elements of Islam as part of their corporate image like Royal Brunei. It was a good alternative for them. The portrayed Islamic image such as covering '*aurah*' corporate attire is the most welcome positive changes of traditional airline image that they have used before. Majority of the male informants were satisfied by the staff's Islamic appearance as it helped them to minimize their sin as the Muslims are not allowed to see others' '*aurah*'. They need to lower down their gaze especially with their opposite gender and things were more difficult to do when the stewardess of other airlines who entertain them wearing sexy uniform attire. This is also supported by the female informants as they said it was a good changes of an airline image and helped them to feel peace and safe by their Islamic appearance and compliance. All of them agreed that these Islamic elements in their corporate image were alluring for them to

try. Undeniably, corporate image is found to influence customer's satisfaction directly (Minkiewiecz, Evans, Bridson & Mavondo,2011)

However, along the public's positive remarks and cherish thought of Rayani Air's corporate image, few of the informants still have embedded negative perception as they felt sceptical of the Rayani Air concept as the founders are Non-Muslim and they feel like it was just for the marketing purpose and profit gain based which they believed cannot stand long and strong. As they used the service and heard other people talking about their experience, they think that Rayani Air's corporate image tune down their high and positive expectation. Some of the informants started to think that their image was not Islamic enough or fully *Shariah* oriented based on the way they handled several occurred issues that seemed not really satisfying the customers especially the Muslims. For example, some of them think their corporate image is not Islamic enough because they did not wear wide scarf that cover half of the body as encouraged by Islam, the fake promising such sudden flight cancelled and delayed with no refund which lead to customers' frustration.

5.0   Study Description

In order to interpret the societal issue, one must be a part of it and make the research from the viewpoint of the ones involved in the issue. The researcher chose case study as the design of qualitative to understand the crisis scenario of Rayani Air in depth. Yin (1984) defines the case study research methods an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident and in which multiple sources of evidence are used. The purpose of using a case study is to find out the real current information regarding the case of Rayani Air. A case study provides the researchers with a wide range of information about a single case which lead to forward deep and focused insight in understanding a society's issue. This case study includes a snapshot of Rayani Air before and after its shutdown. The semi-structured interview was chosen as it is a more flexible version of the structured interview as "it allows depth to be achieved by providing the opportunity on the part of the interviewer to probe and expand the informants' responses" (Rubin & Rubin, 2005). All the interviews data were collected and transcribed into transcript. The researcher determined the coding frame, sort material into categories, looked for overlap among codes, combined codes and merge the findings in few themes and lastly count frequency of codes after ran the manual thematic analysis

6.0   Conclusion

As repercussion, in spite the fact that Rayani Air had been shut down, the public are still welcoming other upcoming Islamic airline both local and international but at different level of acceptance and high cautiousness in behavioural attention of purchasing. They will become more cautious before using any new airlines especially if they use Islamic branding like Rayani Air. In conclusion, the Islamic corporate image of Rayani Air was welcomed by the public as another good carrier alternative to their economical wise and religion health. The failure of Rayani to maintain its good corporate image disappointing the Muslims but they are still supporting the concept of *Shariah* based airline and willing to try any of these airlines after the assurance of its credibility was confirmed by others. It did not affect their perception negatively for any Islamic international airline and they also willing to Rayani Air again if they make the necessary improvement after its come back.

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