

CONCEPTUALIZING CONVERGENCE AND DIVERGENCE OF MUSLIM CONSUMPTION BEHAVIOUR IN MALAYSIA

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ABSTRACT

The Islamic culture is one of the largest and most unique cultures in the world and interest in Muslim related behaviour is increasing, although few marketers possess adequate knowledge and experience to interact appropriately with the various aggregate ethnic subgroups that make up the Muslim culture. Some new middle class Muslims are acutely aware of the dilemma of practising middle-classness in a contemporary lifestyle through the genuine and proper forms of consumption while also maintaining a religious identity that embodies piety. The consumption convergence or divergence represents the recognition of the changing nature of the world including the rapid developments in society brought about by economic development, urbanisation and access to the influences of other cultures through modernisation. This paper is a conceptual paper that proposes the idea of convergence and divergence of consumption behaviour and values. It hopes to give insight into the possible factors influencing the consumption trend and process of negotiating conflicting values of the modern middle-class Muslims as a means for a contemporary modern lifestyle. A conceptual framework outlining the factors affecting the cultural convergence and preference intention and consumption behaviour is proposed. Understanding the convergence and divergence issues in consumption is important to predict the potential market growth, segmentation, Islamic marketing and branding. The focus on the middle class and the policies for promoting it is rooted in the belief that the middle class is an important prerequisite for a stronger, more sustainable economic growth and development in the future.

Keywords: Consumer behaviour, Islamic culture, consumption pattern

Introduction:

Consumer behaviour is changing around the world due to the improvement in economic conditions and the advancement of technology. Over the past twenty years, due to the shifting of economic and political power in emerging economies, a number of developing nations have come to be centres of solid development, and, essentially, raising their portion of the global earnings (Kharas, 2010). The poverty reduction caused by the rise of the middle class contrasts from the unfortunate in terms of their domestic characteristics, which are consistent with their living standards. These include rural or urban residence, geographical location, family size, and education. The growth has also resulted in substantial social, political, and environmental changes. Likewise, the growth of the middle class Muslims is coming into existence slowly and gradually. The middle class Muslims play a vital role in facing the challenges of creative and dynamic living in the modern world.

The Islamic culture is one of the largest and most unique cultures in the world. Although interest is increasing in Muslim related behaviour, not many marketers possess sufficient qualified information and experience to suitably identify with the different ethnic subgroups that make up the Muslim society. The Muslim consumer market, which comprises 1.8 billion people, is undeniably the next important global opportunity. The Muslim population is set to double from 1.1 billion in 1990 to 2.2 billion in 2030 (Pew Research Center, 2011). The Halal business sector alone is worth a stunning US\$2.1 trillion a year and is developing at US\$500bn a year because of the growth of the Muslim populace worldwide (TNS Middle East & Africa, 2010). Muslims require products and brands that are associated with their lifestyle, and the term Muslim Lifestyle Market has been used to describe these lifestyle products and services. The categories include food, clothing, travel service, resorts, media, publications, and Islamic financial services and products.

The rise of the middle class is evident, especially in developing countries, such as Malaysia and other Muslim countries around the world, where the socio infrastructure is improving rapidly. As stated by Landes (1998), the middle class was a driving force in the faster pace of economic development in many developed countries in the nineteenth-century. The word ‘middle-class’ or ‘intermediate class’ means that the group is in between the upper-class and the lower-class groups in the community. They mainly comprise the educated people from the professional, management and administration sectors. In Malaysia, the Muslim middle-class signify a modern lifestyle with positive consumerism. They have a taste for luxury and branded products to suit their comfortable lifestyle as a modern middle-class Muslim (Mujani et al., 2012).

Changing Consumption Pattern:

Levitt (1983) argued that new technology might expedite the homogenisation of consumer wants and needs in light of the fact that purchasers are required to lean towards standard products of high quality and low price as opposed to the additional customised, higher priced products. The globalization of markets is dependent upon the presumption that consumer behaviour is reasonable and rational. To an ever expanding degree, researchers have determined that consumers are frequently not rational and do not settle on buying choices that maximise utility. More and more, the presumption of judiciousness is viewed as implausible and places consumers outside a social and cultural context (McCracken 1989; Suerdem 1993; Antonides 1998).

Nations around the world have become more and more similar due to economic advancement, modernization and communication through business and exchange. A great part of the likeness is determined by industrialization (Kerr et al., 1960). The modernization theory contends that with time and economic advancement, distinctive social orders will come to be progressively comparative to one another (Eisenstadt, 1965). This idea is also held by neo-classical ideologues, such as Francis Fukuyama (1992), who posited the theory that all societies will have a similar economic and political system in the long-term. Fukuyama (1992) believes that capitalism and liberal democracy are the end states of social systems, which have passed through similar phases of economic and social development. Similarly, work by authors, such as Friedman (2006) and Zivko (2006), support the proposition of convergence between nation states at the aggregate ‘meta level’. This occurs, even though market segmentation, mass customization and individualization are creating increasingly fragmented markets.

Despite the long held economic rational theory, consumer behaviour is both diverging and converging, which to a certain extent depends on the strength of consumer values. According to Roosa, Dumka, Gonzales and Knight (2002, p. 3), “value systems change as ecological niches change (i.e., historical change) and as people move into new ecological niches”. There is considerable proof from past exploration and research (Bronfenbrenner, 1986; Hoff-Ginsberg & Tardiff, 1995; Super & Harkness, 1986) to infer that the value system of a given ethnic