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; Süderem 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 neoclassical 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
aggregation can differ on account of progressions to income, occupation, living conditions and length and force of exposure to an alternate society and culture. Income, media, and technology are converging due to modernization and globalization (De Mooij, 1998; De Mooij & Hofstede, 2002). At a certain point in time, culture replaces wealth as a predictor variable. Some authors agree that convergence can lead to homogeneous consumer needs, tastes, and lifestyles (Assael, 1998, p. 501; Bullmore, 2000, p. 48; De Mooij, 1998; De Mooij & Hofstede, 2002). Convergence happens when nations achieve similar levels of economic development, because they become more alike in terms of social status and life (Coughlin, 2001). Peacock, Hoover and Killian (1988, p. 842) stated that “convergence is equivalent to reduction in inequality” and that “divergence is an increase in inequality”. These definitions are intended to contextualize the inequality between nations undergoing international economic development. There is evidence in social change studies that differences between societies decrease over time (Baum, 1974; Weinberg, 1969). Coughlin (2001, p. 1) defined the convergence theory as: “the hypothesized link between economic development and concomitant changes in social organization, particularly work and industrial organization, class structure, demographic patterns, characteristics of the family, education and the role of government in assuring basic social and economic security”.

**Converging or Diverging?**

New technology would lead to the homogenization of consumer wants and needs. Convergence or divergence can occur due to the changes in the socio-economic development – mainly from urbanization, modernization, industrialization and globalization that affects social changes – which leads to changes in lifestyle and value systems. In spite of the fact that this idea may be controversial, one may contend that economic advancement is connected with alterations away from absolute norms and values, and is moving towards values that are progressively rational, tolerant, trusting, and participatory (Inglehart & Baker, 2000). In addition, there is considerable proof from past research (Bronfenbrenner, 1986; Hoff-Ginsberg & Tardiff, 1995; Super & Harkness, 1986) that value systems vary because of differences in income, occupation, living conditions, and the length and strength of exposure to other cultures within any ethnic group itself. Despite the controversy, some degree of convergence is a fact. Although it is evident that consumption behaviour is either converging or diverging, to date, there are not many researchers addressing this issue. Convergence theories used to be very popular in the 1960s and early 1970s (Alex Inkeles & Smith, 1974; Kerr et al., 1960; Rostow, 1960). Other authors who discussed the merits and shortcomings of the convergence theory are Coughlin (2001), Inkeles (1999) and Wilensky (2002). Marketing related discussions relating to convergence and divergence issues in global marketing have been voiced by de Mooij and Hofstede (2002). Some other studies relating to the convergence theory have been heavily criticized because of overly broad applications (Coughlin, 2001), and, subsequently, have been modified or rejected by many scholars (Inglehart, 1997; Inglehart & Baker, 2000; Welzel et al., 2003). The examples of studies are world society study (Meyer et al., 1997; Peacock et al., 1988), a world value system (Inglehart & Baker, 2000), changes in organizations worldwide (McGaughey & De-Cieri, 1999), and overall industrial societies, international economics and geopolitical forces.

As stated by Coughlin (2001), somehow it is hard to examine a worthy macro theory of social change that does not allude to the idea of convergence. Inkeles (1981) stated that the earlier versions of the convergence theory were controversial in that they failed to distinguish adequately between different elements of the social system. He suggested that there is a way to assess convergence by dividing the social system into at least five elements. First is the modes of construction and patterns of resource use; second is in institutional clusters and institutional forms, third is in structures or patterns of social relations, fourth is in systems of widespread attitudes, values, and behaviour, and fifth is the systems of political and economic control. The existing convergence theory is fifty years old and some recent studies relating to the theory are ten years old and heavily criticised; until today, there is still no specific framework or instrument to measure convergence. For this reason, there is a need to re-specify the new visions and interpretations of convergence theory and its properties. Rapid economic growth has reduced poverty across Asia, and the middle class has grown rapidly in size and spending power (Asian Development Bank, 2010). The ascent of the middle class is also expected to help the development process as well as affect the substantial social, political, and environmental changes. In Malaysia, due to socioeconomics and globalization, the marketplace is flooded with foreign brands. Regardless of their country of origin, Muslim consumers seem to have no problem accepting the products. For example, The US goods trade in Malaysia was $23.3 billion in 2005, an increase of $6.0 billion from $17.3 billion in 2004 (Foreign Trade).
In Malaysia, the convergence may be the result of government policy to promote openness between different ethnic groups, such as the ‘1 Malaysia’ concept. This concept is to unite the nation beyond the boundaries of race, ethnicity and religion. The idea is to build the nation and to alleviate poverty by providing an improved infrastructure and a comfortable lifestyle. According to Hassan (2011a), the convergence of consumption can be observed in health related values in Malaysia. Malay, Chinese and Indian consumers have a similar motive for choosing to consume food with curative properties – maintaining ideal health and preventing or curing illness. To some extent, this shared goal increases the similarity and equality of these consumers. Thus, cultural convergence occurs in the consumption of functional food because consumers are willing to consume health-related foods that are culturally-based or inter-culturally based (Hassan, 2011a, 2011b). Based on the idea of convergence and divergence theory, the conceptual model is proposed to illustrate the convergence and divergence of consumption behaviour and values. The model gives insights into the possible factors that influence the consumption trend and process of negotiating the conflicting values of modern middle-class Muslims, as a means for a contemporary modern lifestyle. A conceptual framework that outlines the factors that affect the cultural convergence and the effect of preference intention and consumption behaviour is proposed.

The Proposed Conceptual Framework of Convergence and Divergence of Behavioural Consumption of Muslims:

Based on observation and evidence from the literature, the conceptual framework is developed to illustrate how socio-economic development can cause a structural change that encourages social interaction and lead to changes in the lifestyle and value system. Over time, these changes promote cultural convergence or divergence of consumption behaviour. The model implies several propositions that will be discussed in the subsequent headings. However, not all factors can reasonably be examined within the scope of this paper. Therefore, priority is given to address the major components or factors influencing the structure of convergence of the behavioural consumption of Muslim consumers.

**Figure 1: Proposed Conceptual Framework: The Convergence and Divergence of the Consumption Behaviour of Muslims**

Social Structural Changes:

The changes and improvement in consumer lifestyle can actually encourage the divergence or convergence of the cultural values of consumers. Convergence or divergence of cultural values can occur due to changes in socio-economic development that are mainly from urbanization, modernization, industrialization and globalization, and which affects the social changes that lead to changes in the lifestyle and value systems. One aspect of social change is economic development that promotes changes in the value system towards values that are more coherent (Inglehart & Baker, 2000). Previous research proved that value systems can diverge due to the improvement in the standard of living that is contributed by education, income, occupation, and living conditions (Bronfenbrenner, 1986; Hoff-Ginsberg & Tardiff, 1995; Super & Harkness, 1986).
Value negotiation:

Value negotiation is an internal process faced by the consumer during the decision making process. Although conflicting values are resolved through a method called the value negotiation process, the nature of this process remains mainly unexplored by researchers (Hassan, 2011a). Consumers negotiate their values in their own particular way when confronted with conflicting decision making situations. Connors, Bisogni, Sobal and Devine (2001) outline three main processes in values negotiation relevant to the personal values systems: (i) “categorizing values system”, (ii) “prioritization of conflicting consumption related values”, and (iii) “balancing strategies and priorities across consumption situations to meet salient values” (p. 193). In complex decision-making processes, consumers use simplifying heuristics of the sort described by Onken, Hastie and Revelle (1985). They noted that consumers faced with increasingly complex decisions tended to adopt simplification strategies.

Preference Formation:

The formation of preference by consumers towards a product is a dynamic process. This understanding is consistent with most of the previous empirical evidence signifying that preferences are not simply discovered, they are actually constructed throughout the process of their elicitation (Coupey et al., 1998; Fischhoff et al., 1980; Payne et al., 1992). Consumer experiences are the foundation of preference structures, and the processes connected with such experiences lead to preferences that stabilize over time (Hoeffler & Ariely, 1999). As consumers gain experience in a domain, either from the experiences relating to the particular products or related to knowledge of the products; consumer preference formation will stabilize. According to Wertenbroach and Carmon (1997), dynamic consumer preferences are frequently directed at the task or goal of managing internal or external resources. However, consumer choice is constrained by the availability of internal resources, such as the physiological, cognitive, or emotional resources that consumers bring to the purchase or consumption task. Available empirical evidence shows that consumers appear to manage their internal hedonic resources by directly modifying their preferences as a function of whether they expect repeated exposure to hedonic stimuli, and as a function of the cost of avoiding aversive stimuli (Gibbs, 1997).

Discussion and Conclusion:

The unique aspects of the Malaysian society have been explained as well as the issues surrounding the concept of cultural convergence. The main theme is that no previous research has attempted a similar study in a multicultural society. To date, research has primarily been based on the United States or Europe, which have dominant cultures that guide interaction nationally. A white Anglo-Saxon culture dominates the United States and is the model to which subcultures aspire, possibly because of the predominance of white Anglo-Saxons in the political and economic elite of that country. A similar situation exists in Europe, where the national culture is influenced by a more or less homogenous elite that holds the economic and political sway.

In Malaysia, matters are different: the identities of the main ethnic groups are a relatively recent phenomenon due to the emergence of Malay nationalism and the amalgamation of other ethnic groups into Chinese and Indian classifications as part of the social contract Britain required before granting independence. Following independence, race consciousness evolved along these official lines, but political power (the domain of the Malays) remains separated from economic power (the domain of the Chinese). In the Malaysian context, the concept of a dominant culture with a single set of values desired by the majority is questionable. However, economic development, government policies and interaction at the individual level means that some degree of convergence can be expected. Living in close proximity is an important part of fostering interaction and breaking down differences between the various ethnic groups (Tan, 1982). The Malaysian environment fosters strong social interaction in schools, colleges and the workplace. New housing estates comprising Malays, Chinese and Indians are an important way of promoting inter-ethnic relationships. Constant interaction ensures greater mutual understanding and respect. In contrast, a lack of interpersonal interaction tends to reinforce stereotypes and hostility at the group level (Tan, 1982). Social change can cause changes in the human or individual value systems.

According to Tan (1982), there are three main ways to facilitate interaction beyond impersonal commercial encounters. First, members of one ethnic group breach their own cultural norms to interact with members of another group. Second, members of one ethnic group adopt the cultural practices of another ethnic group as the basis of interaction. Third, members of the two ethnic groups do not breach their own cultural norms or adopt the norms of the other. In the last case, the two groups develop mutually acceptable norms for interacting. In Malaysia, the ethnic...
groups interact and enjoy good relationships, usually via the third approach described above (Tan, 1982). Malays, Chinese and Indians respect each other’s cultural norms, without adopting each other’s cultural practices. The evidence shows that, to a certain degree, cultural practices change and converge over time. Lee & Tse (1994) stated that some consumption behaviours may be ingrained in ethnic identity while others are not. Therefore, based on the discussion, some culturally-based consumption behaviours may converge over time. Cultural value convergence means that the cultures of the ethnic groups tend to become more alike due to increasing social interactions.

In conclusion, studying the convergence of consumer behaviour is an essential part of successful strategic marketing. The consumption pattern in developing countries like Malaysia is shifting and moving towards a consumption pattern that is similar to advanced countries, to a great extent, as an after effect of higher earnings, urbanisation and social and economic conversion. Understanding the consumer consumption pattern will enable marketers to understand and predict how consumers will act and spend their money. This paper will contribute to the body of literature in providing the means to understanding the factors that contribute to the convergence and divergence of Muslim consumption behaviour theory. The information will guide practitioners and industries in predicting the potential market growth, segmentation, Islamic marketing and branding.

References:


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