

Impact of Religion Affiliation and Religiosity on Consumer Innovativeness; The Evidence of Malaysia

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Abstract: Introducing new product to the market is the only way to create sustainable competitive advantage. However, the success of any product/service in market is ultimately depended on consumer acceptance. Innovativeness is one of the individual characteristics that might influence the acceptance of novel product/services. Innovativeness itself also from other side might be affected by several factors such individual's religion affiliation and the level of commitment to his/her religion. This study tested the effect of religiosity on innovativeness to explore disparities between devote and casual religions' followers. Moreover, the relationship between religion affiliation and innovativeness was studied. The results showed that religiosity has negative impact on innovativeness. Furthermore, the result indicated that Buddhists have significantly lower innovativeness compared to Muslims, Christians and Hindus in Malaysia.

Key words: Religiosity • Religion Affiliations • Innovativeness • Personal Traits

INTRODUCTION

Global market place has facilitated the transformation of knowledge and technology around world easily and instantaneously. Companies from emerging market such as China and India can easily imitate or duplicate the products/services of pioneer companies much cheaper by removing research and development expenses. As a result, in new competitive economy era, well-established companies can make sustainable competitive advantages and dominate in market just by dynamic development and introduction of successful innovative products.

Even though a new product/service plays a vital role in companies' success, recent studies have shown that 30% to 50% of new products have been failed because of inability to find their way to their real consumers [1]. The Success of an innovation rests first on understanding customer's needs and then developing products that can meet those needs. The adoption of products/services by consumers can be affected as much by how the product concept conforms to norms, values and behavioral patterns as by its physical or mechanical attributes [2]. Much of what a member of society learns to believe comes from religious exercises. The importance of religious value systems has been recognized in sociology and psychology for centuries [2, 3, 4].

According to Delener "Religion, being an aspect of culture, has considerable influence on people's values,

habits and attitudes and it greatly influences lifestyle, which in turn affects consumer decision behavior" [5]. Religion as one of the most important elements of a culture has extensive influence on people's values, habits and attitudes [6-12].

Religious values lead the person not only with particular form of acts and spiritual rituals, but also with certain way of behavior and a general worldview. Individuals with high commitment to religion attributes usually have relatively higher level of motivation to avoid uncertainty and change and relatively low importance to values expressing motivations to follow one's hedonistic desires, or to be independent in thoughts and actions [13]. Therefore, there is possibility of the relationship between religiosity and innovativeness of an individual.

However, results of current literature in impact of personal trait and consumer innovativeness have high inconsistency; from positive relationship to negative relationship. Moreover, almost all of the existing studies applied in western countries by the samples of Jews, Catholics, or Protestants [14-16]. Hence, replication of these findings can be doubtful in the case of Asian countries and especially among Muslim consumers by significantly different ideology and religion philosophy; the primary objective of this research is to conduct a research to explore the relationships of religion, religiosity of individual's innovativeness in Malaysia.

Literature Review: Consumer behavior is the series of action that a person takes to purchase and use particular products/services, including the mental and social processes that precede and follow these actions [17]. This process of satisfying his/her needs and wants can be either overtly (visibly or outside the mind) or covertly (in the mind). Consumer behavior studies have put lots of efforts to explore characteristics of individual consumers such as demographics, psychographics and behavioral variables to understand how individuals make decisions to spend their available resources (Money, time, efforts) in consumption related terms [18, 19].

Religion and Religiosity: One of these variables that has been studied by researchers are religion and religion related factors. Religion in its cultural context is recognized by being the integrated system of beliefs and practices that spreads through the value structure of a society [6-12]. The research about impact of religion on lifestyle usually has been considered as controversial topic by religion adhere and followers [4].

Religion usually is conceptualized as a demographic factor that a person can be categorized based on that. Eagle (1976) done one of the first studies to find the impact of religion on buyer behavior among Brazilian consumers. The finding shows religion affiliations can affect the customer perception toward the products and services. Thompson and Raine [20] also have investigated links between religious affiliation and buying behavior in their study. They tested whether customers who shop at a particular furniture store have typical religious affiliations and whether this had a significant influence on purchasing furniture. The results of their research for stores explored that Protestants bought more product compared to other religion follower affiliations.

Hirschman [21], in her study, focused to investigate differences in the cognitive systems possessed by Catholic, Jewish and Protestant consumers regarding two key consumption dimensions: inherent novelty seeking and information transfer. In other researches, she studied the impact of religious affiliation on choosing of entertainments and transportation [21-23]. These studies provided evidence that religious affiliation can affect the behavior and cognition of costumers [24].

Delener [5] conducted a study in USA among the Jewish and Catholics consumer to understand the effect of their religion affiliation on purchase of automobile and microwave oven (which was new at the time of research). Results showed purchasing behavior can be induced by religion and religiosity. Moreover, this study showed

Catholics perceive higher risks compared to Jewish for buying novel products in the market. Bailey and Sood [25] have found that consumers from different religious background have different purchasing behavior in the market. For example, Muslim customers buy products with lowest level of information compared to other religion followers, since they believe in word of Kismet, which is equal to destiny and fate in English.

Sood and Nasu [26] in their study compared American and Japanese consumers based on their religion affiliations. The results have shown that American Protestants are more economical and look for the best deal at cheapest shops rather than shops with best assortment. This group of consumers usually believes that quality and higher price are not necessarily related. Furthermore, they like advertisements that are more informative rather than flashy ones compared to casual followers. However, the results from Japanese were inconsistent with American Protestants.

Fam *et al.*, [27] studied the religion influence in five countries (Malaysia, China, Turkey, Taiwan, Britain and New Zealand). Advertisements of seventeen different types of product were chosen (underwear, cosmetics, condom, female hygiene products, addictive products, health products and political party). Respondents were asked to express their ideas whether they think these products are controversial in their perspective or not. Findings have shown that religion has significant role in perception toward the advertisements. Results indicated Muslims react significantly different compared to other religions for advertisement of controversial product such as birth control, undergarment, funeral and political parties. For example, Muslims perceive advertisements about undergarment and political parties as the most controversial compared to other religions. For addictive products, Muslims and Buddhists have the same perception which is negative. Christians and non-religion groups have positive perception and do not find this type of products offensive.

Mokhlis [9] investigated the effect of religiosity on shopping orientation in Malaysia. The results have indicated religiosity can influence three shopping orientation factors (price conscious, quality conscious and impulsive shopping behaviour). In particular, results have shown that religiosity has positive relationship with sensitivity toward price which, supported previous study's findings by Essoo and Dibb [28]. Moreover, this study has found the positive relationship between religiosity and demand for higher quality among Malaysian customers.

Innovativeness: Regarding Goldsmith [29] “Innovativeness is an individual difference variable that describes reaction to the new and different. These reactions range from very positive attitude toward change to very negative attitude” [29]. Many products have been launched to market everyday; conversely, many of them are failure due to the rejection of consumers in the market [1]. The success of innovative and novel products in the market depends ultimately on consumers’ acceptance. Therefore, success of an innovation rests on first understanding customer needs and predicting their reaction toward new products, second developing products that can meet their needs [30].

Studies primarily have aimed to develop a sound understanding about the personality of the earliest adopters who initiate diffusion and who play a critical role as communicators to later adopters. Since 1970s, some researchers have tried to explore the consumer characteristics by measuring innovativeness as an intrinsic personality trait. According to Steenkmap and *et al.*, (1999), innate innovativeness is a predisposition to buy new and different products and brands rather than remain with previous choices and consumer patterns this innate consumer innovativeness likely relates to new product adoption behavior by consumers in the market. The major problem to use innate consumer innovativeness is inconsistent result [16] to very weak [14, 15, 31].

Some other studies tried to add demographical information such as age, gender, educational level, income to their studies to find demographical factors effect on consumer innovativeness [10, 14, 16, 32-34]. For example, Im *et al.* [15] studied the impact of demographic consumer characteristics on innovativeness behavior. Results showed the positive relationship between income and ownership but the negative relationship between age and ownership. Nevertheless, the results did not show any significant relationship between education level and ownership. Despite all previous efforts to explore the impact of personal characteristics on consumer innovativeness (due to lack of consistency finding), it is unexplored whether specific user characteristics discriminate between innovators and non-innovator consumers [35, 36].

Hypotheses Development: Review of current literatures shows some factors play more significant role to induce the demand of novel product in particular market and regarding particular costumer groups than other factors. Religion as one the important component of every culture

can still plays a significant role in influencing consumer behavior by its values, norms, rules and taboos [8, 10, 11, 26, 37]. Religious institutions serve to influence the nature, development and application of technology by propagating norms, customs, prohibitions and standards of conduct, which serve to influence the nature, development and application of technology. However, often innovation is unwelcomed phenomena by religions and usually devote followers of religions are very conservative to accept novel innovation in their societies [38].

Therefore the following hypotheses have been developed:

- H1: There is a negative association between the level of religiosity and the degree of innovativeness of individuals.
- H2: The followers of different religions have different level of innovativeness

Methodology

Sampling: According to Malaysian government’s census in the year 2010, approximately 60.4% of the Malaysia population are Muslim, 19.2% practice are Buddhist, 9.1% Christian; 6.3% believe Hinduism, 2.6% adhere in Confucianism, Taoism and other traditional Chinese religions and remaining percentages were accounted for other faiths, including animism, Sikhism and the Bahá’í Faith. The unit of analysis of this study is every individual who is a Malaysian citizen. Target population of this study is the urban population of Malaysia. Overall, 600 questionnaire were distributed by conducting the self-administration method. Participants were selected based on convenience sampling and samples collected from shopping malls, sport complexes, transportations route (Airports, Bus Terminals and train stations). Five-Likert scale was employed to measure the religiosity and innovativeness of each individual participant.

Religiosity: One of the most popular and most reliable scales to measure religiosity is intrinsic-extrinsic Religious Orientation Scale (ROS). ROS has been developed by Allport and Ross [39] and is one of the most popular scales that has been used in several marketing and consumer researches. The ROS has proven to have acceptable reliability and has shown some indication of applicability for social science in general and marketing research in particular [5, 9, 24, 28, 40]. However, some recent researchers raised their concern on the direct usefulness of the scale in marketing research. Definitely,

the most serious shortcoming of the ROS is that it was specifically designed for use with Christian or Judeo-Christian subjects. Thus, direct adaptation of the scale is not always feasible and valid to measure the degree of religiosity of subjects having other than Judeo-Christian religions, although the scale has been used in one study involving Muslim and Hindu subjects in Mauritius [28].

Based on previous studies, selecting the accurate scale to measure the religiosity highly depends on the cultural and religious background of the population. Therefore, to obtain better results for this study, the Mokhlis's scale [9] was used. In order to measure the religiosity of consumers in Malaysia Mokhlis [9] used the measurement consists of 10 questions (six question measured Intrapersonal religiosity and four question measured Interpersonal religiosity). The Keiser-Meyer-Olkin measure of sampling adequacy test index equaled 0.846 and Bartlett's test was significant at $p < 0.0001$. Based on the principal components factor analysis, factors with latent roots or eigenvalues greater than 1.0 and items with rotated factor loadings of 0.40 or greater were retained [41].

Innovativeness Scale: A significant number of studies tried to develop valid measurement to measure innovativeness of consumers in the market. Nevertheless, just a few of them were successful to design a scale with high reliability and statistical consistency. Roehrich [42] analyzed almost all current literatures and studies to find out the best measurement to study the consumer innovativeness in market. According to his findings Le Louarn's scale as one of the latest and reliable scales. This scales has shown the good psychometric properties (internal consistency and validity). Since this scale is easy to understand for all groups of participants by different age and educational background, this research employed this scale to measure the innovativeness of participants.

RESULTS AND DISCUSSIONS

Principal components analysis was performed to test the validity of the measurement of innovativeness. The correlation matrix was then checked for systematic covariation among the variables. The Kaiser-Meyer-Olkin (KMO) test of sample adequacy was 0.74 and the Bartlett test of sphericity was significant at $p < .05$. The data were therefore deemed fit for factor analysis. [43]. Moreover, the cronbach's alpha of this variable was 0.763 which is at acceptable level [44]. The result of factor and reliability analysis is almost same as Roehrich's result [42].

The 10 questions measuring susceptibility to interpersonal influence were expected to reflect inter religiosity (six items) and intra-religiosity (four items). In order to confirm this, factor analysis was performed on the 10 items measuring religiosity. The result of KOM test was .91 and the p-value of Bartlett test of sphericity was significant at $p < .05$. Cronbach's alpha for the factors was 0.91. This result confirmed that Mokhlis's [9] measurement has high internal consistency and reliability in multi religions societies. Furthermore, Fornell & Larcker's (1981) approach was used to measure average variance extracted (AVE) and construct reliability (CR) and the number of variables that were used for each construct. All factors have an excellent AVE as they are all above 0.5. Also, composite reliability (CR) is satisfactory.

Religion and Religiosity: The results of the regression test show that religiosity has significant and negative effect on innovativeness of consumers. This finding indicates that, individual with higher religiosity probably have lower innovativeness. Overall this result can support first hypothesis that mentioned there is negative relationship between religiosity and innovativeness which accordance by previous study suggestions [2, 36, 38].

The one-way ANOVA was tested for significant differences in means across the four religious groups for each innovativeness level. Results indicated that level of innovativeness is significantly different across the groups ($p < .05$). Moreover, the results of Tukey test show that Buddhism followers have lowest level of innovativeness, which is a significantly different from followers of Islam, Christianity and Hinduism. These results indicated that among all religions followers Christians have highest innovativeness followed by Muslims and Hindus.

Findings indicate that religious factors might influence innovativeness of individuals. Results of study also show that religiosity has the negative relationship with innovativeness. Therefore, marketers should find the way to link the advantage of new products/services with consumer religious activates and events. As, sometime religious people have negative perceptions toward the product/service or reject the advertisements because they feel that new product/service is against their religious beliefs or philosophies [27, 28]. Marketers should try to receive the advice from religious leaders of particular religion to come out with suitable strategy to clarify the points which might be unclear for religions adheres [27, 45]. Therefore, marketers may introduce their new product by doing some sponsorship through the religious organization and during the religious privileges to show

Table 1: Reliability and Validity test

	Factor Loading	KMO	p-value	Combach's Alpha	CR	AVE
Innovativeness;		.74	.001	.763	.914	.646
Attraction to newness						
When I hear about a new product, I try to know more about at the first occasion	.89					
I am the kind of person who tries every new product at least once	.71					
Autonomy						
Before trying a new product, I try to learn what friends who possess this product think about it (R)	.57					
I seek out the opinion of those who have tried new products or brands before I try them (R)	.92					
Risk taking						
I never buy something I don't know anything about with the risk of making a mistake (R)	.91					
I'd rather choose a brand that I usually buy rather than try something I am not confident in (R)	.76					
Religiosity		.91	.001	.91	.918	.531
Inter-Religiosity						
Religion is especially important to me because it answers many questions about the meaning of life	.854					
I often read books and magazines about my faith	.738					
I spend time trying to grow in understanding of my faith	.722					
My religious beliefs lie behind my whole approach to life	.700					
Religious beliefs influence all my dealings in life	.700					
It is important to me to spend periods of time in private religious thought and prayer	.606					
Intra-Religiosity						
I enjoy taking part in activities of my religious organization	.814					
I keep well informed about my local religious group and have some influence in its decisions	.773					
I make financial contributions to my religious organization	.684					
I enjoy spending time with others of my religious affiliation	.662					

Table 2: Regression Results

		Coefficients			
		Model		Unstandardized Coefficients	
		B	Std. Error	t	p-value
1	(Constant)	4.268	.143	29.752	.000
	Religiosity	-.473	.041	-11.483	.000

Dependent Variable: Innativeness

R Square= .21

Adjusted R Square =.191

Table 3: ANOVA Tukey's Post Hoc Tests for Innovativeness

	Buddhism V/s Christianity	Buddhism V/s Hinduism	Buddhism V/s Islam	Christianity V/s Islam	Christianity V/s Hinduism	Islam V/s Hinduism
Innovativeness	-.41642*	-.3521*	-.4406*	-.0242	.0642	.0847

*p<.05

their respect to their target market and reduce the level of resistance among religious leaders by creating awareness and showing the relative advantage of products.

As with any study, some limitations exist. First only Malaysian citizens in urban cities were included in this research. Therefore, in future research should also include some samples from small cities and rural area where most probably religion affiliations might have different impact. Second, just the small percentage of innovativeness was explained by religiosity. For sure, there are other variables that have to be included in future studies to get better view of this phenomenon. Finally, according the objective, this research studied the relationship between religiosity and innovativeness; however, further studies should try to find the link between this variable and actual adoption of innovation that is the primary goal of companies in markets.

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