UNIVERSITI PUTRA MALAYSIA

THE ROLE OF RELIGIOSITY, ETHNICITY, INDIVIDUAL VALUES AND INNOVATIVENESS IN CONSUMER ACCEPTANCE OF NOVEL PRODUCTS

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THE ROLE OF RELIGIOSITY, ETHNICITY, INDIVIDUAL VALUES AND INNOVATIVENESS IN CONSUMER ACCEPTANCE OF NOVEL PRODUCTS

By

SHAHEEN MANSORI

Thesis Submitted to Graduate School of Management, Unversiti Putra Malaysia in Fulfillment of the Requirement for Degree of Doctor of Philosophy

January 2012

DEDICATION

To my wife and best friend – Ella;
To my parents, the first and best teachers of all, who will always live in my heart

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Chair: **Professor Samsinar Md. Sidin ,PhD**
Faculty: **Graduate School of Management**

Traditional marketing strategies have been inexorably changed by the new context in which businesses operate in 21st century. The shift from production orientation to marketing orientation in twentieth century has continued to consumer orientation epoch in the new millennium. A number of researches have recognized the launching of a successful innovation as a key contributor to create a sustainable demand, as well as to financial and company performance. To build a competitive advantage in high competitive markets many pioneer companies have differentiated themselves by developing innovative products/services. However, studies showed that the failure rate of new-products is very high (ranging from 33% to over 60%) and has not improved over the last decades. Consequently, the extremely high costs associated with the failure of a new product, stresses the importance of a model that can effectively forecast the market penetration of a new product.

The acceptance of new product might be affected by several factors. For several years, researchers and marketers have tried to explore the factors that can play role in acceptance or rejection of new products. This study contributes and extends the understanding of the role of religiosity, ethnicity, individual's values and innovativeness, as personal traits, on acceptance of new products/services in Malaysian context.

Seven hundred individuals from urban area of Malaysia were asked to answer the questionnaire. Questionnaires were distributed based on self-administrated method in shopping malls, sports complex, train stations and airports in three different cities of Malaysia. Findings show religiosity and ethnicity have negative relationship with openness to change (stimulation, self-direction and hedonism) and conservation (traditions and conformity). Conservation values have negative effects on consumer innovativeness and acceptance of new products. In contrast, openness to change values show positive relationship with innovativeness and acceptance of new products.

Theoretically, the developed model of this study makes an important contribution to the body of consumer behavior literature. Exploring the mechanism through which value affects consumer innovativeness could benefit marketers of companies in determining the target market and in adjusting marketing strategies in each stage of the product life cycle. However, the implications of this research study should be considered in the light of the potential limitations. These might include limitations of sampling method, time horizon of study and data collection method.

Abstrak tesis dikemukakan kepada Senat Universiti Putra Malaysia sebagai memenuhi keperluan untuk ijazah Doktor Falsafah

PERANAN KEAGAMAAN, KEETNIKAN, NILAI INDIVIDU DAN PEMBAHARUAN DALAM PENERIMAAN PENGGUNA TERHADAP PRODUK BARU

Oleh

SHAHEEN MANSORI

Januari 2012

Pengerusi: **Professor Samsinar Md. Sidin ,PhD**
Fakulti: **Graduate School of Management**

Strategi pemasaran tradisional telah diubah di dalam konteks baru,di mana perniagaan beroperasi di abad ke-21. Peralihan daripada orientasi pengeluaran kepada orientasi pemasaran pada abad kedua puluh telah diteruskan kepada zaman orientasi pengguna di alaf baru. Beberapa penyelidikan telah mengiktiraf satu pelancaran inovasi yang berjaya sebagai penyumbang utama untuk mewujudkan permintaan mampan, serta prestasi kewangan dan syarikat. Untuk membina satu kelebihan daya saing yang tinggi dalam pasaran yang kompetitif, banyak syarikat – syarikat perintis telah membezakan diri mereka dengan membangunkan produk / perkhidmatan inovatif.

Walau bagaimanapun, kajian menunjukkan bahawa kadar kegagalan penghasilan produk baru sangat tinggi (antara 33% hingga melebihi 60%) dan tidak pernah menunjukkan peningkatan sejak satu dekad yang lalu. Akibatnya, kos penggunaan yang sangat tinggi sering dikaitkan dengan kegagalan penghasilan sesuatu produk baru, dan ini menjelaskan akan kepentingan untuk menghasilkan satu model yang berkesan dan mampu menembusi pasaran bagi sesuatu produk baru.

Penerimaan produk baru mungkin di pengaruhi oleh beberapa faktor. Selama beberapa tahun, para penyelidik dan pengurus pemasaran telah berusaha untuk mengkaji faktor-faktor yang memainkan peranan penting dalam penerimaan atau penolakan produk baru. Kajian ini telah menyumbang dan meningkatkan pemahanan berkaitan kerohanian, etnik, nilai-nilai asas individu dan inovasi,sebagai ciri ciri peribadi, penerimaan produk /perkhidmatan baru dalam konteks Malaysia.

Tujuh ratus individu dari kawasan bandar di Malaysia telah diminta untuk menjawab soalan kaji selidik. Soalan kaji selidik telah diedarkan berdasarkan kaedah diri yang ditadbir sendiri di pusat membeli belah, kompleks sukan, stesen kereta api dan lapangan terbang di tiga bandar yang berlainan di Malaysia. Kajian menunjukkan keagamaan dan etnik mempunyai hubungan yang negatif dengan keterbukaan kepada perubahan (rangsangan, hala tuju sendiri, dan hedonisme) dan pemuliharaan (tradisi dan keakuran). Nilai-nilai pemuliharaan mempunyai kesan negatif ke atas inovasi dan penerimaan pengguna terhadap produk-produk baru. Sebaliknya, keterbukaan untuk mengubah nilai-nilai menunjukkan hubungan positif dengan membawa pembaharuan dan penerimaan produk-produk baru.

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I certify that an Examination Committee met on **6ᵗʰ January 2012** to conduct the final examination of **Shaheen Mansori** on his **Doctor of Philosophy** thesis entitled "**The Role of Religiosity, Ethnicity, Individual Values and Innovativeness in Consumer Acceptance of Novel Products**" in accordance with Universities and University Colleges act 1971 and the Constitution of the Universiti Putra Malaysia [P.U(A)106] 15 March 1998. The Committee recommends that the candidate be awarded the **Doctor of Philosophy**.

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This thesis submitted to the Senate of Universiti Putra Malaysia has been accepted as fulfillment of the requirement for the degree of **Doctor of Philosophy**. The members of the Supervisory Committee are as follows:

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DECLARATION

I hereby declare that this thesis is based on my original work except the quotations and citations, which have been duly acknowledged. I also declare that it has not been previously or concurrently submitted for any other degree at UPM or any other institutions.

SHAHEEN MANSORI

Date:

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