

A Study on Ethnocentric Tendencies of Consumers: An Integrative review of Socio-psychological and Demographic Antecedents

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ABSTRACT

The main purpose of this study is to an integrative review of socio-psychological and demographic antecedents of consumer ethnocentrism. A comprehensive review of literature on consumer ethnocentrism is put in detailed table. The study is divided into two categories of antecedents namely; socio-psychological and demographic antecedents are gathered from the literature. This paper provides a review and an integrative framework of existing research regarding consumer ethnocentric tendencies.

1. Introduction

Globalization brings considerable opportunities and challenges for the global market. The relaxation in trade policy from several countries has provided consumer a wide variety of choice from foreign product, so consumer's attitude towards foreign products and their behaviour towards foreign products are changing. The tendency of consumers to be ethnocentric represents their beliefs towards appropriateness and moral legitimacy of purchasing foreign products (Shimp and Sharma, 1987). Ethnocentric consumers prefer domestic goods because they believe that products from their own country are the best (Klein et al., 1998). Consumer ethnocentrism may play an important role when people believe that their personal and national well being is under threat from imports (Sharma et al., 1995; Shimp and Sharma, 1987).

Most of the research from US and other developed countries generally favour the notion that consumers with high level of ethnocentrism supports their domestic products over foreign products and developed a general feeling that buying domestic products is a moral obligation (Sharma et al., 1995; Shimp and Sharma, 1987). While consumer ethnocentrism is treated as a means to differentiate between consumer groups who prefer to buy domestic products over foreign products (Huddleston et al., 2001). The research from different studies shows that in developed countries consumers assume that the domestic products are of better quality than imported products whereas the reverse is considered in developing countries (Batra et al., 2000; Wang et al., 2000).

The main objective of the research is to review the antecedents of consumer ethnocentrism by providing a framework. The research paper is divided as follows. In the first section consumer ethnocentrism is defined and their properties are discussed in detail. In the second section, the demographic antecedents of consumer ethnocentrism are discussed. In the last section, the relationship between consumer ethnocentrism and its antecedents are examined and finally concluding interpretation is made.

2. Literature Review

Consumer Ethnocentrism

Ethnocentric members of the society tend to exert pressure on other society members to refrain from purchasing imported

goods (Ahmed et al., 2012). Thus, purchase of imports becomes a moral and social issue. The CETSCALE developed by Shimp and Sharma (1987), found that highly ethnocentric consumers are more inclined toward biased judgements because these consumers stress the positive aspects of domestic product ignoring the virtues of foreign made products. Ethnocentricity had no clear relationship with perceptions of brand; price perception and brand user congruency are more important to young New Zealand shoppers (Shergill et al., 2010). Ethnocentrism variables did not have an effect on global and local brand evaluations (Demir and Tansuhaj, 2011), even ethnocentric individuals may prefer global products when they doubt the quality of local brands. Contrary to high ethnocentric consumers, low ethnocentric consumers associate high quality and prestige with the global brands which determines their purchase intention.

Moreover high ethnocentric consumers are less inclined to purchase foreign goods because as the inferences of quality and prestige associated to Perceived Brand Globalness (PBG) is relatively weak. For the culturally similar countries, both low and high ethnocentrism consumer showed no difference in their attitude towards domestic and foreign products (Lee et al., 2013). Tong and Li (2013), there is little evidence to support the existence of a relationship between ethnocentrism and purchase decisions for domestic or foreign brands among young Chinese consumers. Tong et al., (2013), explained that Chinese consumer's ethnocentric tendencies have no significant impact on their purchase intention to buy either domestic or foreign brands. However ethnocentric Chinese consumers do positively evaluate the quality of domestic brands when domestic brands are also made domestically and negatively evaluate the quality of foreign brands when foreign brands are also manufactured non-domestically.

Antecedents of Consumer Ethnocentrism

This section provides a detailed summary regarding the antecedents of consumer ethnocentrism. There are two categories of antecedents, socio-psychological and demographic antecedents.

Socio-psychological Antecedents

Cultural Openness: It is the willingness to interact with from other cultures and experience some of their artifacts (Sharma et al., 1995). Several studies found have found a negative relationship between the cultural openness and consumer ethnocentrism tendencies (Shimp and Sharma 1987). But these studies have failed to consider many factors that affect cultural openness relationship with consumer ethnocentrism; rather it is the simplicity to find out cross-cultural interaction and familiarity with other cultures.

Patriotism: It is defined as love for or devotion to one's country (Sharma et al., 1995). Most of the studies found out that patriotism is positively related to consumer ethnocentrism. But some authors concluded that patriotism is not only related to consumer ethnocentrism, infact it act as a defence mechanism for the group members (Sumner, 1906).

Conservatism: It refers to a tendency to cherish traditions and social institutions that have survived the test of time and to introduce change occasionally and gradually (Sharma et al., 1995). Several studies concluded that there is a significant relationship between conservatism and consumer ethnocentrism as the consumer cannot exceed their beliefs towards a foreign products (Balabanis et al., 2002).

Collectivism: A tendency to maximize group welfare even if it means that individual gaols should be subordinate (Hofstede, 1984). The collectivist are considered that the effect of their actions on the larger group , people with collectivist behaviour tend to demonstrate more consumer ethnocentrism tendencies as compare to people with individualistic behaviour (Sharma et al., 1995).

Worldmindedness: A State of mind in which consumers use humankind as the primary reference group instead of respective nationalities (Rawwas et al., 1996). As the cultural openness refers to opportunities to interact with other cultures, worlminedness refers to world view of the problem of humanity. The worldminded consumers include interest in and knowledge of international affairs, however several studies found a negative relationship between consumer ethnocentrism and worlminedness.

Dogmatism: A Personality characteristics that views reality in black and white (Caruana, 1996). Studies have found a positive significant relationship between dogmatism attitude and consumer ethnocentrism (Anderson and Cunningham, 1972). Shimp and Sharma (1987) have also found that as compare to less dogmatism consumers, high dogmatism consumer have a significant positive relationship with consumer ethnocentrism.

Animosity: The remnants of antipathy related to economic events that will affect consumers purchasing behaviour in the international marketplace. (Klein et al., 1998). Studies have found that animosity do affect the level of consumer ethnocentrism but many studies found out that animosity did not posit any relationship with consumer ethnocentrism.

Materialism: A centrally held beliefs about the importance of possession in one's life (Belk, 1984). It tend to rely on material possession as a substituted for the lack of satisfying inter-personal relationship (Belk, 1984). Like materialism, Consumer ethnocentrism is also associated with envy, possessiveness, need to identify with a larger group as compare to smaller group.

Socio-Psychological Antecedents

Antecedents and Definition	Literature Review	Country	Study Type	Product Type	Relationship to CET
Cultural Openness: Willingness to interact with people from other cultures and experience some of their artifacts (Sharma et al., 1995)	Shimp and Sharma (1987)	US	Survey	Consumer goods, Autos and Apparel. (Group 1)	L.A less ethnocentrism than other cultures Denver, Detroit and Carolinas
	Sharma et.al. (1995)	Korea	Survey	Necessary products (Medicine, Beef, Kitchenware and PCs) and Unnecessary products (golf clubs, liquor, bananas, insurance, large refrigerators and jewellery (Group 2)	Negative relationship

	Howard (1989)	US	Survey	Autos, TV, clothing, food, toys and home appliances (Group 3)	West coast is less ethnocentrism than mid-west
	Altintas and Tokal (2007)	Turkey	Survey	N/A	Positive relationship
Patriotism: Love for or devotion to one's country (Summer, 1906)	Han (1988)	US	Survey	TV and Autos	Positive relationship
	Balabanis et al. (2001)	Turkey, Czech	Survey	N/A	Positive partial relationship
	Bannister and Saunders (1978)	Britain	Personal interview	Consumer Durable goods	Absence of relationship
	Klein and Ettenson (1999)	US	Survey	Same as Group 2	Positive relationship
	Wel et al., (2015)	Malaysia	Survey	Cars	Positive Relationship
	Zeugner-Roth et al., (2015)	US	Survey	N/A	Positive relationship
Collectivism: A tendency to maximize group welfare even if it means that individual goals should be subordinate (Hofstede, 1984)	Sharma et al., (1995)	Korea	Survey	Same as Group 2	Positive relationship
	Triandis (1988)	Japan	Survey	N/A	Positive relationship
	Ettenson et al., (1988)	US	Experiment	Apparel items	Positive relationship
	Nishina (1990)	Japan	Survey	Food, Clothing, furniture, household, sports, cars and accessories	Positive relationship
	Strutton et al., (1994)	US	Survey	Auto	Positive Relationship
Conservatism: A tendency to cherish traditions and social institutions that have survived the test of time and to introduce changes only occasionally and gradually. (Sharma et al., 1995)	Balabanis et al. (2002)	Turkey and Czech	Survey	N/A	Positive relationship
	Anderson and Cunningham (1972)	US	Survey	Autos	Positive relationship
	Sharma et al. (1997)	Korea	Survey	Same as Group 2	Positive relationship

Worldmindedness: A State of mind in which consumers use humankind as the primary reference group instead of respective nationalities (Rawwas et al., 1996)	Rawwas et al., (1996)	Austria	Survey	Autos, PCs, clothing, office equipment, alcohol, fashion clothing, consumer durable goods and mainframe computers	Negative Relationship
	Balabanis et al., (2001)	Turkey and Czech	Survey	N/A	No Relationship
Dogmatism: A Personality characteristics that views reality in black and white (Caruana, 1996)	Anderson and Cunningham (1972)	US	Survey	Autos	Positive relationship
	Caruana (1996)	Malta	Survey	N/A	Positive relationship
	Shimp and Sharma (1987)	US	Survey	Same as Group 1	Positive relationship
Animosity: The remnants of antipathy related to economic events that will affect consumers purchasing behaviour in the international marketplace. (Klein et al., 1998)	Klein et al (1998)	China	Mall intercepts	TV, VCR, stereo. Radio, camera and refrigerator (Group 4)	N/A
Materialism: A centrally held beliefs about the importance of possession in one's life (Belk, 1984)	Belk (1984)	US, Austria, France and Mexico	Survey	N/A	Positive relationship

Demographic Antecedents

Antecedents and Definition	Literature Review	Country	Study Type	Product Type	Relationship to CET
Gender: Male vs Female	Han (1998)	US	Survey	Auto, TV	Females are more ethnocentric
	Sharma et al., (1995)	Korea	Survey	Same as Group 2	Females are more ethnocentric
	Howard (1989)	US	Survey	Same as Group 3	Females are more ethnocentric
	Brunning (1997)	Canada	Experiment and Survey	Commercial air travel	Females are more ethnocentric
	Balabanis et al., (2001)	Turkey	Survey	N/A	Females are more ethnocentric
	Klein and Ettenson (1999)	US	Survey	N/A	Partial support for females are more ethnocentric

	Good and Huddleston (1995)	Russia	Experiment	Clothing	No relationship
Income	Balabanis et al., (2001)	Czech	Survey	N/A	Positive relationship
	Sharma et al., (1995)	Korea	Survey	Same as Group 2	Negative relationship
	Good and Huddleston (1995)	Poland	Experiment	Clothing	Negative relationship
	Balabanis et al., (2001)	Turkey	Survey	N/A	Positive relationship
Education	Good and Huddleston (1995)	Poland	Experiment	Clothing	Negative relationship
	Balabanis et al., (2001)	Turkey	Survey	N/A	Negative relationship
	Balabanis et al., (2001)	Czech	Survey	N/A	No relationship
	Han (1998)	US	Survey	Auto, TV	No relationship
Social Class: with reference to society (education, income, occupation and residency)	Han (1998)	US	Survey	Auto, TV	No relationship
	Klein and Ettenson (1999)	US	Survey	N/A	Working class more ethnocentric than middle-class
	Caruana (1996)	Malta	Survey	N/A	Residence type has no relationship to ethnocentrism

Demographic Antecedents

Gender: Several research support the notion that women have high level of ethnocentrism as compared to men (Sharma et al., 1995). The logic which supports this notion is that women are more conservative as compare to men (Han, 1999) and they depict high level of collectivist attitude than men (Triandis, 1985). But there are some studies which support the notion that there is no significant difference between men and women (Caruana, 1996), while some studies supports the notion that men depict high level of ethnocentrism as compared to women (Bannister and Saunders, 1978).

Income: Most of the studies concluded that there is negative relationship between income and level of consumer ethnocentrism. The studies found that consumers who belongs to high income group will demonstrates low level of ethnocentrism and those consumers who belongs to low income group will demonstrates high level of ethnocentrism (Sharma et al., 1995; Han, 1998) as the increased level of income will brings more opportunities to travel and purchase foreign products.

Education: Majority of studies concluded that there is a negative relationship between level of education and consumer ethnocentrism (Klein and Ettenson, 1999), as people will high level of education demonstrates low level of consumer ethnocentrism and people will low level of education will demonstrates high level of ethnocentrism. Moreover a study by

Han(1988), depicts that there is no relationship between level of education and ethnocentrism.

Social Class: The study by Han (1998) and Klein & Ettenson (1999) found that the level of ethnocentrism decreases as the level of social class increases and the level of ethnocentrism increases as the level of social class decreases. The social class to some extend related to the income level and the conclusion regarding level of ethnocentrism and social class can be drawn from income level.

3. Conclusion

In this research paper, the antecedents (Socio-psychological and Demographic) of consumer ethnocentrism are identified. The research identifies some major socio-psychological antecedents of consumer ethnocentrism namely, cultural openness, patriotism, conservatism, collectivism, worldmindedness, dogmatism and animosity; it also identifies some major demographic antecedents of consumer ethnocentrism like gender, education, income and social class. It was analysed that cultural openness and worldmindedness have negative relationship with consumer ethnocentrism while patriotism, conservatism, collectivism, dogmatism and animosity depicts positive relationship with consumer ethnocentrism. It was also identified that females are more ethnocentric as compared to men; while education, income and social class had negative relationship with ethnocentrism.

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