

Consumer Ethnocentrism and Its Antecedents: An Exploratory Study of Consumers in India

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Abstract

With dismantling of trade barriers as part of liberalisation and globalisation processes initiated during the last two decades, it is no longer a daunting task for the foreign firms to make an entry into international markets. However, what still continues to remain a major challenge is gaining consumer acceptance of foreign products. International marketing literature posits consumer ethnocentrism as a key factor affecting adversely consumer evaluation and purchase of foreign products. Present study is an attempt to investigate consumer ethnocentrism and its antecedents in the Indian context. Though the surveyed consumers in overall terms are found to be only moderately ethnocentric, significant differences are discernible in their ethnocentric tendency across socio-psychological and demographic characteristics. Based on study findings, the paper spells out strategy implications to the international marketers in gaining acceptance of their products among different consumer segments and provides directions for future researches.

Keywords: International Marketing, Consumer Ethnocentrism, CETSCALE, Antecedents, Indian Market

Introduction

Accelerated pace of liberalisation and globalisation witnessed during the last two decades have paved way to opening up of markets all over the world. With dismantling of tariff and non-tariff trade barriers, firms have started increasingly evincing interest in foreign markets. Especially the newly emerging markets have surfaced as a vanguard of multinational activities. A number of multinational corporations have already set up their production and marketing bases in these economies and many others have plans on the anvil for making forays into these markets.

Since 1991 when the process of liberalisation and globalisation was initiated in the country, the Indian market has undergone a substantial metamorphosis. It is fast emerging as a potential market for a variety of consumer and industrial products (Jain,

2011). Having attained a growth rate of over 9 per cent during last couple of years, India today enjoys the privileged position of being one of the fastest growing nations in the world. It ranks as the third largest nation in terms of purchasing power parity based GDP and eleventh largest country in terms of nominal GDP (World Bank, 2010). India also holds the distinct position of having the second fastest growing population of high net worth individuals in the Asia-Pacific region (IBEF, 2008). According to a study by Mckinsey Global Institute (MGI), India is likely to emerge as the fifth largest consumer market in the world by 2025 (IBEF, 2008).

Rapid growth of Indian market has drawn considerable attention of multinational corporations. While many have already made an entry, many others have plans afoot to soon enter the Indian market. As per IBEF's (2005) estimate, more than 200 of the top 500 multinational firms have operations in India. While the market has seen entry of a number of foreign brands, there has also been a deluge of large number of domestically manufactured products on the retail shelves (Jain, 2011). Competition in the market has hot up considerably and foreign products today face a tough challenge gaining consumer acceptance. Too high a craze for the foreign products that existed in the country till eighties has waned. Even the early nineties (i.e., the period just after the commencement of liberalisation era in the country), Jain and Sindhvani (1994) found Indian consumers not having lofty obsession with foreign products.

In the present day competitive markets in India and elsewhere, international marketers need to keep in mind that focus on quality, price and other objective considerations alone would not be able to guarantee success in gaining consumer acceptance of their products. They need to understand consumer behaviour at the affective front too. Substantial body of international marketing literature has come up to establish that consumers in their product evaluations and purchase decisions are guided not only by objective factors, but also by patriotic and nationalistic feelings that cast a sort of moral obligation on the consumers to hold their own country's products in high esteem, and patronise domestic industry and workers by buying domestic rather than foreign products (Han, 1988).

Consumer ethnocentrism or consumer ethnocentric tendency (CET), as it has come to be known, refers to the appropriateness and morality of purchasing foreign goods and maintaining loyalty to domestically produced goods (Shimp and Sharma, 1987). Several past studies have found consumer ethnocentrism as an important determinant of consumers' preference and purchase of domestic vis a vis foreign products (Shimp and Sharma, 1987; Sharma et al., 1995; Rawwas et al., 1996; Watson and Wright, 2000; Suh and Kwon, 2002; Balabanis and Diamantopoulos, 2004). Because of patriotic and sympathetic feelings towards their fellow men and artefacts, consumers with ethnocentrism tend to emphasise positive aspects of their own country's products and discount virtues of foreign products. Less ethnocentric consumers, on the other hand, tend to rely more on objective product attributes and, hence, do not tend to be inherently biased against imported products.

The literature, however, suggests that all the consumers do not tend to be equally ethnocentric. A number of socio-psychological factor (such as patriotism, conservatism, collectivism, cultural openness, animosity and world-mindedness) and demographic factors (such as gender, age, education and income) act as antecedents to consumer ethnocentrism (Shankarmahesh, 2006; Jain and Jain, 2010). Knowledge of

ethnocentric tendency present among consumers and variations therein across different types of consumers can be helpful to the international marketers in identifying market segments relevant to their products and evolving marketing strategies as appropriate for the selected segments.

Though a number of studies have been undertaken in both the developed and developing countries to investigate incidence of consumer ethnocentrism and its antecedents, it is unfortunate that very little research work has been done in Indian context. Studies undertaken in the country, moreover, suffer from the drawback that either the CET-antecedent relationship has not been examined (e.g., Jain and Sindhwani, 1994) or else only a select demographic antecedents have been investigated (e.g., Bawa, 2004). The present study is an attempt to fill the literature gap. More specifically, the paper aims at analysing ethnocentric tendency present among the Indian consumers and examining influence of various socio-psychological and demographic variables that in the international marketing literature have been posited as antecedents of consumer ethnocentrism.

Consumer Ethnocentrism and Its Operationalisation

Consumer ethnocentrism is a construct that has been derived from the basic psycho-sociological term ethnocentrism. Ethnocentrism refers to a tendency among persons to differentiate amongst various groups and look at one's own group as a focal group (e.g., Sharma et al., 1995; Jain and Jain, 2010). More specifically, ethnocentric persons view economic, political and social events from the perspective of their own group, consider their own way of life as superior to those of all other groups, believe other groups as being inferior, weak and dishonest, and suspect and disdain members and artefacts of other groups (Sharma et al., 1995). Such an attitude when exhibited by persons in the context of consumption related activities is referred to as consumer ethnocentrism. Shimp and Sharma (1987) have defined consumer ethnocentrism as a "belief held by consumer about the appropriateness, indeed morality of purchasing foreign-made products". Consumers high in ethnocentrism consider purchase of foreign products as an unpatriotic and amoral act because it hurts the domestic economy and causes loss of jobs to fellow workers (Shimp and Sharma, 1987; Klein and Ettenson, 1999). Non-ethnocentric consumers, on the other hand, do not hold such a bias. They rather feel that foreign products be "evaluated on their own merit (such as price, quality and other desired features) without consideration for where they are made" (Shimp and Sharma, 1987).

Until mid-eighties, no specific scale existed for measuring ethnocentric sentiments as relevant to the domain of consumer behaviour and marketing phenomena (e.g., Sharma and Shimp, 1987, Luque-Martinez et al. 2000). A few instruments that existed at that time were too generic to be of use to measure ethnocentric tendency prevalent among consumers. Shimp and Sharma (1987) made the pioneering attempt by developing a multi-item scale for measuring consumer ethnocentric tendency. Termed as CETSCALE, it is a 17-item scale which has been widely used in several past studies across countries (e.g., United States: Shimp and Sharma, 1987; Korea: Sharma et al., 1995; Austria: Rawwas et al., 1996; Turkey and Czech: Balabanis et al., 2001; United Kingdom: Bannister and Saunders, 1978; Japan, Nishina, 1990; China: Klein et al., 1998; United States, France and Mexico, Clarke et al., 2000; Malta: Caruana and Magni, 1996; Poland and Russia, Good and Huddleston, 1995; Durvasula et al.,

1997; Canada: Bruning, 1997; Singapore: Piron, 2002; Australia: Zarkada-fraser and Fraser, 2002, Hong Kong: Yu and Albaum, 2002; New Zealand: Watson and Wright, 2000; India: Bawa, 2004). The scale in its original as well as shortened form has been psychometrically found as a reliable and valid measure of consumer ethnocentrism (e.g., Shimp and Sharma, 1987; Netemeyer and Durvasula, 1991; Hersche, 1994; Sharma et al., 1995; Good and Huddleston, 1995; Durvasula et al., 1997; Hult and Keillor, 1999; Klein et al., 1998; Klein and Ettenson, 1999; Watson and Wright, 2000; Balabanis et al., 2001; Suh and Kwon, 2002; Kaynak and Kara, 2002; Zarkada-Fraser and Fraser, 2002; Steenkamp et al., 2003; Klein et al., 2006; Vida and Obadia, 2008).

Antecedents of Consumer Ethnocentrism and Research Hypotheses

All the consumers are not equally ethnocentric. Consumers differ in their ethnocentrism due to a variety of socio-psychological and demographic factors. Major socio-psychological and demographic antecedents investigated empirically in the past studies and their effect on consumer ethnocentrism are listed schematically in Figure I and discussed in the succeeding paragraphs.

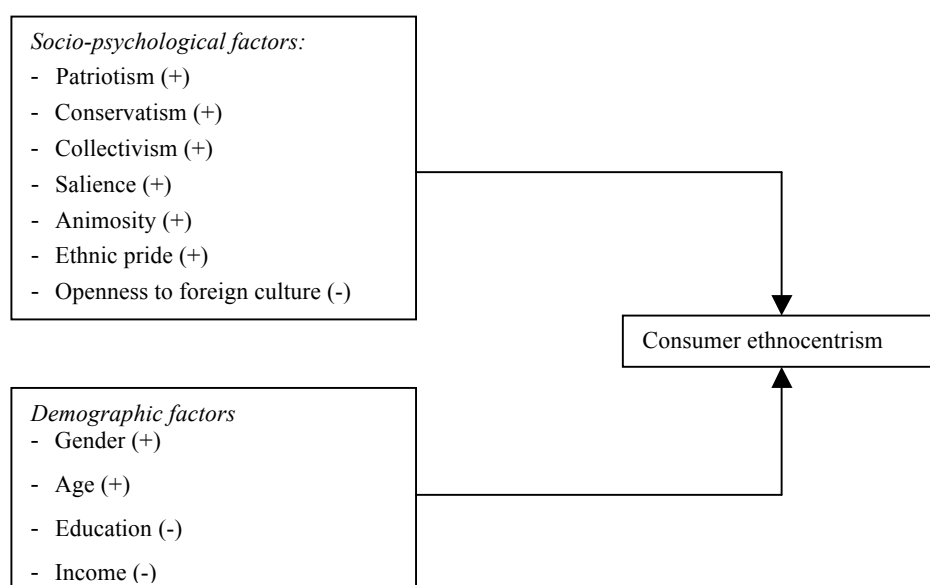


Figure I: Antecedents and Their Effects on Consumer Ethnocentrism: A Framework

Source: Adapted from Shankarmahesh (2006), Jain and Jain (2010)

Socio-Psychological Antecedents

Patriotism: Patriotism is defined as “strong feelings of attachment and loyalty to one’s own country, but without corresponding hostility towards other nations” (Balabanis et al., 2001). Because of love for and devotion to their country, patriotic persons tend to favour their own country’s artefacts and products. Past studies do point to a positive correlation between patriotism and consumer ethnocentrism (e.g., Han, 1988; Sharma et al., 1995; Klein and Ettenson, 1999). Han (1988), for instance, found consumer choice of products to be depending more on patriotism (an affective factor) than on cognitive factors such as quality perception and product serviceability. Based on their empirical findings, Good and Huddleston (1995, p.45) observed that if a country has a history of being an oppressed, occupied and conquered nation; then its people would

tend to have stronger patriotic emotions and preferences for the domestic products. According to Balabanis et al. (2001), though patriotism exerts impact on consumer ethnocentric tendencies, magnitude of its influence differs across cultures. Hence, it is hypothesised that:

H₁: A positive relationship exists between patriotism and consumer ethnocentric tendency.

Conservatism: It is a tendency among people to follow and cherish existing patterns, traditions and social institutions that have survived the test of time. Conservative people show a great resistance to change, and a strong feeling of conservatism gets manifested in forms such as religious intolerance, adherence to strict rules, punishment and anti-hedonic outlook (Sharma et al., 1995; Shankarmahesh, 2006). Past studies show a positive correlation between conservatism and negative attitudes towards foreign products (Anderson and Cunningham, 1972; Wang, 1978; Javalgi and Khare, 2005). In view of a high correlation observed between patriotism and conservatism, Sharma et al. (1995) combined the two variables into one variable and found this newly formed variable to be having a significantly high positive correlation with consumer ethnocentrism. In view of the above discussion, the hypotheses taken up for empirical testing in the study is:

H₂: A positive relationship exists between conservatism and consumer ethnocentric tendency.

Collectivism: A collectivist is a person who subordinates his/her personal goals to the goals of group he/she belongs to and considers effects of his/her action on the larger group or society. An individualist, on the other hand, tends to be more open-minded and sees society as a means to achieve his/her personal goals (Sharma et al., 1995). Since collectivists, like the ethnocentric persons, consider gross effect of their behaviour on the society and feel themselves to be responsible for other's social conditions, they tend to depict a higher degree of ethnocentric tendency in their consumption behaviour (Sharma et al., 1995; Shankarmahesh, 2006). Studies by Nishina (1990) and Sharma et al. (1995) provide empirical support in favour of a positive relationship between collectivism and consumer ethnocentrism.

H₃: A positive relationship exists between collectivism and consumer ethnocentric tendency.

Salience: In the context of consumer ethnocentrism, salience is defined as perceived threat from foreign competition/ imports to the domestic industry and fellow workers. Perceived threat increases the sense of morality among people of a nation to support domestic industries and workers, thus giving rise to a higher level of ethnocentrism (Rosenblatt, 1964). Olsen et al. (1993) found a positive relationship between salience and consumer ethnocentric tendency. Sharma et al. (1995), on the other hand, investigated perceived threat as a moderating variable and found it to be strongly and positively moderating the relationship between consumer ethnocentricity and attitude towards imports. Viewing salience as a direct antecedent of consumer ethnocentric tendency, it is postulated that:

H₄: A positive relationship exists between salience and consumer ethnocentric tendency.

Animosity: According to Klein et al. (1998), animosity is the “remnants of antipathy related to previous or ongoing military, political or economic events”. Such a feeling can have potentially an adverse effect on consumer purchase of foreign products. Though the effect of animosity on consumer choice of foreign products is similar to that of consumer ethnocentrism, it differs from ethnocentrism in the sense that while the feeling of animosity is country specific, ethnocentric tendency is not country specific and is characterised by negative sentiments among the consumers in general against the imported products (Klein, 2002; Shankarmahesh, 2006). In view of a positive relationship observed in past studies between animosity and consumer ethnocentrism (Nijssen and Douglas, 2004), it is hypothesised that:

H₅: A positive relationship exists between animosity and consumer ethnocentric tendency.

Ethnic pride: In countries with multi-cultural groups, people belonging to different cultural groups have been posited to be differing in their ethnocentric behaviour (Ouellet, 2007). Because of feelings of solidarity and cohesiveness with ethnic in-group, persons with high ethnic feeling tend to be more ethnocentric in their consumption pattern. Empirical evidence in respect of ethnic groups, however, is inconclusive. While Piron (2002) and Klein and Ettenson (1999) have found no significant relationship of race to CET, study by Zarkada-Fraser and Fraser (2002) reports people belonging to majority ethnic groups to be having greater ethnocentric proclivity. In order to investigate the impact of ethnicity on consumer ethnocentrism, it is proposed that:

H₆: A positive relationship exists between ethnic pride and consumer ethnocentric tendency.

Openness to foreign culture: Cultural openness is defined as willingness of people belonging to particular culture to interact with people from other culture(s) and experience their values and artefacts (Sharma et al., 1995; Shankarmahesh, 2006). Cultural openness can arise as a result of overseas travels and/or interactions with foreigners in one's own country. Such exposures and interactions broaden one's mind and tend to reduce prejudice against people and artefacts from other cultures. A few past empirical studies point to a negative relationship between cultural openness and consumer ethnocentrism (e.g., Howard, 1989; Sharma et al., 1995). It is, therefore, proposed that:

H₇: A negative relationship exists between cultural openness and consumer ethnocentric tendency.

World-mindedness: World-mindedness refers to a state of mind wherein humankind is used as a primary reference group as opposed to one's own nation (Rawwas et al., 1996; Shankarmahesh, 2006). World-mindedness is characterized by a number of features such as consumers' interest in and knowledge of international affairs, reverence for “world spirit” and consensus development (Gomberg, 1994; Rawwas et al., 1996). World-mindedness is closer to the philosophy of geocentrism, i.e., looking

at the world as a global village, but it differs from the term ‘cultural openness’ in the sense that it possible for a person to be world-minded without being culturally open at the same time (Shankarmahesh, 2006). Empirical support is available to demonstrate that world-minded people are less ethnocentric (Rawwas et al., 1996) and not biased against purchase of foreign products (Crawford and Lamb, 1982). The study by Balabanis et al. (2001), however, did not find internationalism (a construct closely related to world-mindedness) to be relating in any significant way to consumer ethnocentrism. In view of dominant thinking that world-minded persons tend to be less ethnocentric, it is proposed that:

H₈: A negative relationship exists between world-mindedness and consumer ethnocentric tendency.

Demographic Antecedents

Gender: Past studies report women being more ethnocentric than men (Bruning, 1997; Sharma et al., 1995; Kucukemiroglu, 1999), probably due to the reason that females are more caring, conservative and patriotic and feel more concerned about the impact of their actions on others, preserving social harmony and maintaining group cohesiveness (Sharma et al., 1995; Jain and Kaur, 2006, p.112). It is, therefore, hypothesised that:

H₉: Women are more ethnocentric than men.

Age: In general, elderly persons tend to be more patriotic and possess greater national pride (Klein and Ettenson, 1999). The younger people, on the other hand, tend to be more cosmopolitan and modern in their outlook, and do not possess that high feeling of national pride and attachment to their own country’s products as the older people do (Sharma et al., 1995; Shankarmahesh, 2006). Majority of past studies do lend support to the theoretical proposition that age is positively related to consumer ethnocentrism (Schooler, 1971; Klein and Ettenson 1999; Caruana 1996).

H₁₀: A positive relationship exists between age and consumer ethnocentric tendency.

Education: Education widens mental horizons of people and brings them out of shallow confines of their thinking and living. A recurring theme of findings of past studies is that educated people are less conservative and less ethnic in their prejudice against artefacts and members of out-group (Sharma et al., 1995), and they are also less averse to imports (Klein and Ettenson 1999; Caruana 1996; Ray 1990).

H₁₁: A negative relationship exists between level of education and consumer ethnocentric tendency.

Income: Most research studies have found income as a factor negatively affecting consumer ethnocentrism (Sharma et al., 1995; Bruning, 1997). Because of greater incidence of foreign travel, interactions with people from other cultures and exposure to foreign media; people with higher income in general tend to be relatively less ethnocentric (Sharma et al., 1995).

H₁₂: A negative relationship exists between income level and consumer ethnocentric tendency.

Frequency of overseas travel: It is expected that persons travelling abroad frequently are likely to be more liberal and outward, and, hence, less ethnocentric. No doubt an important antecedent, the influence of this variable on consumer ethnocentrism has not been investigated directly in the past studies (Jain and Jain, 2010). The present study, therefore, proposes that:

H₁₃: People with foreign travel experience are less ethnocentric.

Data Collection

Present study is based on primary data collected through a survey of consumers in India. Though stratified random sampling would have been methodologically a better choice, quota sampling method was used in the study because of lack of complete and up-to-date sampling list of the target population. In view of exploratory nature of the study, the survey was confined to 400 consumers living in Delhi and the national capital region (NCR). Delhi is a metropolitan city and people living here hail from different geographic regions of the country and belongs to various socio-cultural groups, thus sufficiently representing country's urban population.

The respondents were contacted personally (face to face) and administered the questionnaire. In case the respondents expressed inability to fill up the questionnaire completely at the time of contact, they were allowed to fill it up later on and return it back to the researchers. A total of 400 questionnaires were distributed, but only 320 were received back. Eighty respondents did not return the questionnaire even after repeated follow ups. Of a total of 320 questionnaires received back, only 304 were found usable in the study.

Table I provides a demographic profile the surveyed respondents. Almost an equal number of male and female respondents are present in the sample. In terms of age and education, the sample is found skewed towards younger (more than 80 per cent) and more educated (more than 95 per cent) people. Income-wise, sample is comprised of respondents almost uniformly from various strata.

Table I: Demographic Profile of Respondents (n=304)

Characteristics		Percentage of respondents
Gender	Male	51.6
	Female	48.4
Age (years)	15-19	44.9
	20-29	37.3
	30-39	5.0
	40-49	8.6
	50-59	3.0
	60 & above	1.3
Education	Secondary	4.7
	Senior Secondary	35.7
	Graduate	39.3
	Post-graduate	11.0
	Professional qualification	9.3
Monthly family income	Less than Rs. 10,000	7.0
	Rs. 10,000 - Rs. 20,000	15.0
	Rs. 20,001 - Rs. 30,000	21.6
	Rs. 30,001. - Rs. 50,000	29.2
	Rs. 50,000 & above	27.2

Measurements

A ‘structured and non-disguised’ questionnaire was used for collecting the necessary information from the respondents. The information regarding various socio-psychological variables was gathered through multi-item scales employed in the past studies. A brief discussion of the scales used in the study is as follows.

Consumer ethnocentrism has been measured through a shortened version of the 17-item CETSCALE developed by Shimp and Sharma (1987). Rawwas et al.’s (1996) six-item scale has been employed for assessing respondents’ patriotism. During the scale purification stage, however, two items were dropped due to their poor item-to-total correlations.

Conservatism and collectivism constructs have been operationalised through five and eight items scales adapted respectively from the work of Sharma et al. (1995). Three items from the collectivism scale had to be dropped during the scale purification stage. Salience, referring to a moral obligation on consumers to buy domestic products for avoiding threat to domestic workers, is measured through a two-item scale adapted from a study by Olsen et al. (1993). Seven items from a study by Klein et al. (1998) were adapted for measuring animosity prevalent amongst the Indians against the Chinese people and their products since the time of Indo-Sino war.

The antecedent ‘ethnic pride’ in the present study has been investigated through seven items adapted from study by Ouellet (2007). Since the respondents in the present study were found having difficulty in understanding the term ‘ethnic’ and were rather interpreting it as referring to their culture based identity groups, the adjective ‘ethnic’ was replaced by the word ‘cultural’ in the scale items. Finally, the variable ‘openness

to foreign culture' has been operationalised through seven statements adapted from the work of Sharma et al. (1995).

A total of five demographic antecedents, viz., gender, age, education, income and foreign travel, have been used in the study. Multiple choice questions were employed for soliciting the information from the respondents.

Draft questionnaire was pre-tested with select consumers. Based on their comments and suggestions, the questionnaire was modified in terms of its language and context. The modified questionnaire was once again pre-tested on another sample of 20 respondents and retained (with minor modifications) for use in the final survey. Consumer responses to all the multi-item scales have been obtained on a 5-point Likert scale, ranging from "1 = Strongly disagree" to "5 = Strongly agree). Responses to the negative statements were reverse coded.

Reliability of various scales used in the study has been assessed through Cronbach alpha (α) coefficient (see Table II). Barring the case of 'patriotism' and 'collectivism' scales that have alpha values of 0.59 and 0.54 respectively, all other multi-item scales have reliability coefficients equal to or above 0.60 value, thus meeting the minimum acceptable criteria of 0.60 reliability level prescribed for exploratory studies (Nunnally, 1978).

Table II: Measurement Instrument: Reliability Analysis

Scale	No. of items	Cronbach alpha (α)
Consumer ethnocentrism (CET)	9	0.83
Patriotism	4	0.59
Conservatism	5	0.60
Collectivism	5	0.54
Salience	2	0.62
Animosity	7	0.82
Ethnic pride	4	0.73
Openness to foreign culture	7	0.83
World-mindedness	4	0.60

Results and Analysis

Consumer Ethnocentrism: Mean Score

Theoretically, the shortened 9-item version of the 17-item CETSCALE is expected to have mean scores in the range of 9 to 45. The computed mean score of 26.03 in the present study is only slightly lower than the theoretically expected mean score of 27, thus implying an average degree of ethnocentrism prevalent among the surveyed consumers. But a standard deviation of 6.16 and individual respondents having means scores in the range of 9.0 to 44.0 imply that consumers are not uniformly ethnocentric. Role of various antecedents as contributory factors to these variations is examined next.

Table III: Mean Consumer Ethnocentrism Score^{1, 2}

	Computed score			S.D.
	Mean	Minimum	Maximum	
CET - 9	26.03	9.00	44.00	6.16

Notes: 1. A reduced (9-item) version of 17-item CETSCALE as developed by Sharma and Shimp (1987) was used for computing consumer ethnocentrism.
2. Consumer responses to each of the scale item were obtained on a 5-point Likert scale, ranging from 1=strongly disagree to 5=strongly agree.

Consumer Ethnocentrism and Socio-psychological Antecedents

With a view to examine covariation between consumer ethnocentrism and various socio-psychological antecedents, Karl Pearson's coefficients of correlations were computed. The results are presented in Table IV. Excepting variables ethnic pride and world-mindedness, the rest of six out of eight socio-psychological variables bear significant relationship with consumer ethnocentrism, and in the hypothesised directions. Salience is the antecedent that is most strongly correlating with consumer ethnocentrism ($r = 0.61$; $p \leq 0.01$), followed by patriotism ($r = 0.34$; $p \leq 0.01$), animosity ($r = 0.31$; $p \leq 0.01$), conservatism ($r = 0.23$; $p \leq 0.01$), openness to foreign culture ($r = -0.19$; $p \leq 0.01$), and collectivism ($r = 0.18$; $p \leq 0.01$), and in that order. Significant correlations of consumer ethnocentrism with patriotism, conservatism, collectivism, salience, animosity and openness to culture in the hypothesised directions lend support to hypotheses H1 to H5 and H7. Ethnic pride and world mindedness are the two variables which do not bear significant relationship with consumer ethnocentrism, thus leading to rejection of hypotheses H6 as well as H8.

Table IV: Consumer Ethnocentrism and Socio-Psychological Antecedents: Correlation Coefficients

Variables	Correlation coefficient	p-value (one tail test)
Patriotism	0.34	0.00*
Conservatism	0.23	0.00*
Collectivism	0.18	0.00*
Salience	0.61	0.00*
Animosity	0.31	0.00*
Ethnic pride	0.03	0.33
Openness to foreign culture	- 0.19	0.00*
World-mindedness	- 0.06	0.19

Note: * $p \leq 0.01$

Consumer Ethnocentrism and Demographic Antecedents

International marketing literature posits consumers to be differing in their ethnocentrism across demographics. ANOVA analysis was performed to ascertain whether consumers differ in their ethnocentrism across five demographic characteristics (see Table V). Age is the lone demographic variable that emerges as a significant covariate of consumer ethnocentrism ($F\text{-value} = 3.96$; $p \leq 0.01$), with older people being more ethnocentric than younger persons. The results thus provide

support to only one hypothesis, i.e., H10. Lack of significant relationship of consumer ethnocentrism with rest of four demographic variables (viz., gender, education, monthly income and foreign travel) imply absence of support in favour of the hypotheses H9, H11, H12, and H13.

Table V: Consumer Ethnocentrism and Demographic Antecedents: ANAOVA Results

Demographic characteristics		Mean	F-value	p-value
Gender	Male	26.55	1.83	0.18
	Female	25.52		
	Total	26.03		
Age (years)	15-19	25.17	3.96	0.00*
	20-29	26.08		
	30-39	23.92		
	40-49	29.29		
	50 & above	30.09		
	Total	26.04		
Education	Secondary	26.43	0.74	0.56
	Senior Secondary	26.12		
	Graduate	25.29		
	Post-graduate	26.93		
	Professional qualification	27.17		
	Total	26.00		
Monthly family income	Less than Rs. 10,000	28.24	1.66	0.16
	Rs. 10,000 - Rs. 20,000	26.97		
	Rs. 20,001 - Rs. 30,000	26.36		
	Rs. 30,001. - Rs. 50,000	24.72		
	Rs. 50,000 & above	25.82		
	Total	25.97		
Foreign travel	Never	26.16	5.18	0.72
	Once	26.28		
	2-4 times	24.87		
	5-10 times	28.33		
	Often	25.83		
	Total	26.06		

Note: * $p \leq 0.01$

Multiple Regression Analysis

A multiple regression analysis was performed in order to assess relative importance of various antecedents examined in juxtaposition. Consumer ethnocentrism was regressed on seven antecedents (six socio-psychological factors and one demographic factor) that were earlier in the bivariate analyses were found significantly related to consumer ethnocentrism. The results are presented in Table VI.

Taken together, seven independent variables can be seen to be accounting for 42.0 per cent of variance in consumer ethnocentrism ($F = 20.99$, $p \leq 0.00$). Of the six socio-psychological variables that were earlier found significant (see Table IV), only four variables are now found significantly related to consumer ethnocentrism.

Conservatism and collectivism do not emerge as significant explanatory variables. Amongst the demographic variables, age continues to remain as a significant antecedent. In terms of relative importance, salience is the key determinant ($\beta = 0.44$; $p \leq 0.01$), followed by animosity ($\beta = 0.15$; $p \leq 0.01$), age ($\beta = 0.13$; $p \leq 0.05$), patriotism ($\beta = 0.12$; $p \leq 0.10$), and openness to foreign culture ($\beta = -0.10$; $p \leq 0.10$), and in that order.

Table VI: Consumer Ethnocentrism and Antecedents: Regression Results

	b	β	t-statistic	p-value
Dependent variable: CET				
Constant	4.96			
Independent variables				
Socio-psychological factors:				
Patriotism	0.24	0.12	1.81	0.07***
Conservatism	0.18	0.08	1.24	0.22
Collectivism	0.14	0.06	0.92	0.36
Salience	1.55	0.44	6.93	0.00*
Animosity	0.19	0.15	2.61	0.01**
Openness to foreign culture	- 0.14	- 0.10	- 1.66	0.10***
Demographic factors				
Age	0.69	0.13	2.19	0.03**
Model statistics	Adjusted R ² = 0.42; F = 20.99, p = 0.00*			

Note: * $p \leq 0.01$, ** $p \leq 0.05$, *** $p \leq 0.10$

Discussion and Research Implications

The present study was undertaken with two fold objectives: (i) assessing level of consumer ethnocentrism prevailing among consumers in India, and (ii) examining influence of socio-psychological and demographic variables on consumer ethnocentric tendency. A shortened (9-item) version of the 17-item CETSCALE proposed by Shimp and Sharma (1987) was used to ascertain the extent of ethnocentric tendency prevailing among the Indian consumers. Based on literature review and theoretical reasoning, a total of eight socio-psychological and five demographic variables were employed as antecedents of consumer ethnocentrism in the present study.

The analysis in the study finds Indian consumers as being only moderately ethnocentric. This finding is similar to that of Bawa (2004) who too found consumers in India to be having slightly lower than theoretically expected ethnocentric mean score¹. The fact that Indian consumers are do not totally or highly averse to purchase of imported products augurs well for the international marketers.

¹. Since Bawa (2004) employed a 17-item CETSCALE with responses sought on a 7-point Likert scale (1= Stronglydisagree to 7=Strongly agree), the theoretically expected mean in her study is 68.0. She computed mean consumer ethnocentrism scores for three different groups of respondents and reported them in her paper. As she did not provide information about the overall mean score value, we computed overall weighted mean score for her study by multiplying each of the group mean scores by the respective number of respondents in each group. The weighted mean score turns out to be 66.70 which is only slightly lower than the theoretically expected mean of 68.0 in her study.

The study also finds considerable variations present among consumers in their ethnocentrism. Though international marketing literature posits a number of personal characteristics as factors responsible for such variations, the present study finds only four socio-psychological variables and one demographic factor to be significantly impacting consumers' ethnocentric tendency in India. Among the socio-psychological variables, salience is the most important antecedent. Animosity, patriotism and openness to foreign culture are the three other explanatory variables that follow it and in that order. While the variable 'openness to foreign culture' bears a negative relationship, the rest of three socio-psychological variables relate positively with consumer ethnocentrism. Results of the present study are similar to those of past studies which too have found these four variables to be significantly affecting consumer ethnocentrism (e.g., Han, 1988; Howard, 1989; Olsen et al., 1993; Sharma et al., 1995; Klein and Ettenson, 1999; Nijssen and Douglas, 2004). The obvious inference of this finding is that with increase in global outlook and positive attitudes towards foreign cultures, consumers tend to become less ethnocentric. The other four variables (viz., conservatism, collectivism, ethnic pride and world-mindedness), however, are not found bearing significant relationship with ethnocentrism prevalent among the surveyed consumers.

Age is the only demographic variable which is significantly and positively correlating with consumer ethnocentrism. This is in line with the findings of previous studies which too reveal relatively a higher level of consumer ethnocentrism present among the older people (Schooler, 1971; Klein and Ettenson, 1999; Caruana, 1996). Other demographic factors such as gender, income and education do not turn out to be significant antecedents. Surprisingly, even the antecedent 'foreign travel' does not emerge as a significant determinant of consumer ethnocentrism.

Findings of the study entail important strategy implications for the business firms, especially the multinational ones. Firms interested in operating in the consumer goods market in India, for instance, can bifurcate the Indian consumers into two broad segments: one comprising of consumers who are ethnocentric and opposed to the consumption of foreign products, and the other one comprising of less or non-ethnocentric consumers who are not inherently biased against imported products. As the present study reveals, ethnocentric market segment is likely to be comprised of people who are older, less open to foreign culture and have relatively higher levels of patriotism, salience (i.e., feeling of threat to domestic workers from imports) and animosity (i.e., having sentiments against foreign countries and their artefacts). The non-ethnocentric market segment, on the other hand, is likely to be represented by consumers who are relatively younger in age, more open to learn about foreign culture and have relatively lower levels of patriotic, salience and animosity feelings amongst them.

Insights about the background characteristics of consumers in these two market segments can be helpful to the marketers in deciding about their target market segments and evolving appropriate positioning and marketing mix strategies. Marketers of domestic products might find it beneficial to focus upon less ethnocentric consumers as their target market. From a communication perspective, campaigns capable of stirring nationalistic and patriotic feelings can be employed for inducing such consumers to buy their own country's products and enjoy a feeling of

pride by having safeguarded the interests of domestic industries and fellow workers against foreign competition.

In contrast, it will be prudent for the international marketers and retail stores intending to sell foreign products in India to initially focus upon consumers who are less ethnocentric. Campaigns with punch lines built around the themes such as 'consumers desirous of leading a successful life go for world famous brands' or 'purchase of high quality foreign made products help people raise their production efficiency and standards of living' can act as catalyst in winning consumer patronage in favour of foreign products. More ethnocentric consumers, on the other hand, can be reached and influenced by the international marketers at a later stage by toning down the foreignness of their products and promotion campaigns. Furthermore, instead of resorting to direct exporting method, use of other entry modes such as joint ventures or setting up wholly owned subsidiaries in the host country can go a long way in allaying fears of threats to the domestic industry present in the minds of ethnocentric consumers.

Although the present study constitutes a major step in filling the void in international marketing literature in the context of a large and fast emerging market in the developing world, it will not be out of place to draw attention to its certain limitations. These limitations point to areas and issues that need to be taken care of in future researches. First, the study has been conducted in Delhi. Being a metropolitan city, a higher incidence of cosmopolitanism and modern outlook present among its people vis a vis their counterparts from the non-metropolitan areas might have attenuated the influence of some of the socio-psychological and demographic variables on the ethnocentric tendency prevalent among the consumers. As such the results of the study do not seem generalisable to the country's population as a whole. Studies drawing upon samples from non-metropolitan cities and various geographical parts of the countries including those from rural areas are called for to arrive at more valid inferences. The sample in the present study is, moreover, skewed towards younger and more educated people. Future studies need to have samples with relatively larger representation of elderly and less educated persons so as to improve the generalisability of results.

Secondly, the present study is based on research work of Shimp and Sharma (1987) who proposed CETSCALE as a uni-dimensional construct. Multi-dimensionality of CETSCALE can possibly be a focus area of researches in future. It is possible that some of the variables that have not been found significantly related to overall consumer ethnocentrism construct might emerge as significant antecedents to some of the individual dimensions of the construct. Thirdly, the present study has investigated only eight antecedent variables. Economic and political factors, materialism, dogmatism, value orientation, nationalism and consumer life styles are some other factors that have been investigated as correlates of consumer ethnocentric tendency in the past studies and these need to be examined in the Indian context as well in future studies.

Lastly, it may not be out of place to mention here that reliability of multi-items scales used in the study for operationalising certain socio-psychological constructs such as patriotism, conservatism, salience, world-mindedness and collectivism 'is either lacking or just conforming to minimum required Cronbach alpha threshold. Use of

psychometrically more reliable scales can substantially help in arriving at more valid and generalisable inferences about the relationship of these antecedents with consumer ethnocentrism in future studies.

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