

## **Consumer Ethnocentrism: A Literature Review**

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**ABSTRACT:** *This paper provides an integrative review of the antecedents and consequences of consumer ethnocentrism (CET). An integrative framework and a detailed summary table are provided. Four categories of antecedents, namely, socio-psychological, political, economic and demographic are gathered from the literature. The compendium of antecedents and consequences of CET can be used by international marketing managers for their segmentation and target marketing strategies. As new vistas emerge for furthering international trade in goods and services, this paper provides a timely review and an integrative framework of existing research on CET, its antecedents and consequences. This paper contributes to the marketing discipline both by integrating a wide body of research on an important international marketing topic and by offering broad avenues for further research. However, the question of how much influence the country of origin provides in product evaluations remains unanswered and a number of other major issues have yet to be resolved.*

**Keywords** -Consumers, Ethnocentrism, Foreign products, Conservatism

### **I. INTRODUCTION**

The introduction of the paper should explain the nature of the problem, previous work, purpose, and the contribution of the paper. The contents of each section may be provided to understand easily about the paper. In 1906, ethnocentrism was defined by Sumner as the view of things in which one's own group is the center of everything, and all others are scaled and rated with reference to it. According to Sumner, ethnocentrism is a "purely sociological construct" which he refers to as a conflict between two groups (in-group vs. out-group). He relates that a differentiation exists between the two groups that represented by ethnocentrism construct. Researcher [1] discovered that all humans have an inclination to belong to a group ('*in group*') where they feel welcomed and are comfortable being themselves. They found that humans believed that self is right and natural, and others are wrong, in time (*in group*) looking for them self and feel proud, also as roller as a scale for all other (*out groups*), show that any things good for us, will good for all "*others*". Similarity found other researcher [2]. It does not mean that all of us will adopt an ethnocentric mindset. However, it is natural to assume that one might be ethnocentric without being conscious of it. In conclusion, [1] showed ethnocentrism is a "universal phenomenon" that could be deeply entrenched in any group or cross-cultural relationship. A study conducted by Salter [3] has suggested that the ethnocentric person will resist, or refuse to accept any type of new culture as it will be seen as inferior to their own culture [3]. Mailloux [4] raised the question, "Are cross-cultural comparisons transcendentally absolute or socio-historically relative?" (p.114). He believed that if one group separated as two groups, ethnocentrism across both the groups would be likely to surface. Between 1980 and 1987, [33] used an ethnocentrism construct to build the concept of consumer ethnocentrism for purchasing imported goods versus American products with 17-Item SETSCALE. They revealed that consumer ethnocentrism refers to considering their own country's product as the right choice compared to the imported alternatives. In the next section, we will delve more into the concept of consumer ethnocentrism.

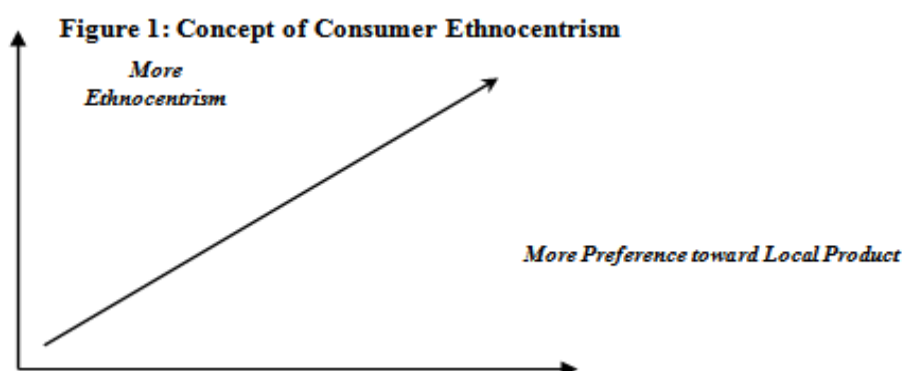
### **II. LITERATURE REVIEW**

According to Shimp [5] explained consumer ethnocentrism as: "The concept is used here to represent consumers' normative beliefs in the superiority of their own countries' products. This perception is postulated to transcend mere economic and functional considerations, and, instead, to have a more noble foundation rooted in morality. That is, consumer ethnocentrism is intended to capture the notion that some consumers believe it is somehow wrong to purchase foreign-made products, because it will hurt the domestic economy, cause the loss of jobs, and, in short, because, from their view, it is plainly unpatriotic" [5] (p. 285). A study by Schooler [6] deals with the question of whether the "foreignness" of a product will make it less preferable to consumers in different countries?" Furthermore, he states that barriers to success in foreign markets remain, and ethnocentrism is one barrier. It is one of the oldest concerns among international marketers. According to this belief, [5] proposed it is wrong to purchase foreign products because it can harm the economy of the country. In fact, she goes onto say that it is unpatriotic behavior to buy imported products because such

actions have an adverse influence on employment at home. It is believed that consumer ethnocentrism, together with an increased feeling of patriotism and emphasis on cultural and ethnic identity, has a strong effect on the global business environment especially during an economic crisis.

Research has investigated consumer ethnocentrism within many constructs such as “willingness to buy imported products” [7], “purchase intention toward foreign products” [8], and “attitudes towards buying imported goods” [9] as we detailed earlier. In addition, Kim and Pysarchik [10] have also found strong statistical evidence for the direct negative correlation between CET and attitudes toward foreign products. Furthermore, Table 1 below shows empirical support for a positive relationship between CET and purchase intention of domestic products. This has also been found in studies by [8] and [11].

In addition, several empirical studies indicate that consumer ethnocentrism strongly influences purchase behavior toward foreign products. Empirical evidence has found that this significantly predicts consumer product purchase [12], [13], [14], [15]; [16]. The concept of consumer ethnocentrism is highlighted in Fig. 1. The highly ethnocentric consumer will prefer domestic products compared to foreign products, while mildly ethnocentric consumer is likely to purchase foreign products.



## 2.1 Antecedents of Consumer Ethnocentrism

For a deeper understanding of the antecedence of ethnocentrism, one needs to look to the sources behind the events that created it. Farjoun and Lai [17] have found social culture to be a major factor. Each culture has its own roles and responsibilities and these are used as a benchmark for other members of society. Thus, based on this social benchmark, each culture has different characteristics. Cultural distancing is another factor according to [18]. They state that the extent to which an individual is closer to another culture or further away from his/her own will create greater or lesser ethnocentrism. On a more personal level, [19] state the lesser cross-cultural interaction and knowledge a person has, the stronger their ethnocentrism. This finding has also been expressed by Devine [20] who states that lower direct inter-cultural knowledge will create more ethnocentrism.

There are four broad categories of antecedents of consumer ethnocentrism. These are: 1) socio-psychological antecedents 2) economic environment antecedents 3) political environment antecedents and 4) demographic antecedents. These dimensions will now be explained individually.

### 2.1.1 Socio-psychological antecedents

The antecedence of ethnocentrism from the socio-psychological perspective has many dimensions. This study only applied both ‘conservatism’ and ‘interest in travel’ in relation to Jordanian consumers.

#### 2.1.1.1 Conservatism

Conservatism is defined as the “tendency to cherish traditions and social institutions that have survived the test of time” [9] (p. 28). Conservatism is one of the variables used in this study. As no two cultures have exactly the same set of values, conservatives in different cultures do not share the same values. In other words, since every culture has its own traditions, conservatism also varies based on those traditions. Burke [21] argued that tradition is a strong foundation for each inherited culture-related behavior, thus it will strongly influence the way each culture behaves.

Research found conservatism to be an antecedent for consumer ethnocentrism. This means the more conservative a consumer is, the more likely he/she is to have an ethnocentric attitude toward foreign products. Such studies relate conservatism to consumer ethnocentrism. Altintas and Tokol [22] have found conservatism is the secondmost influential factor on consumer ethnocentrism among the Turkish people. [9] and [23] have found a positive relationship between conservatism and consumer ethnocentrism. As for other cultures,

[24] have found that conservatism has a significant effect on Polish ethnocentrism. In addition, [25] found conservatism to be one of the major antecedents of French ethnocentrism.

### **2.1.1.2 Interest in Foreign Travel**

Interest in foreign travel is another socio-psychological antecedent of consumer ethnocentrism. Interest in foreign travel is the result of a positive attitude toward exposure to foreign countries [26] argued that exposure toward other cultures comes through watching television programs or learning about new cultures at school. She also found that the real-life experience of traveling to another country has the most profound impact on knowledge and information in relation to other cultures and lifestyles. [26] (p. 629) states that "people in a small country will generally be more exposed to and aware of other cultures". This tends to reduce tendencies towards ethnocentrism where these stem from a lack of experience or knowledge rather than prejudice [27].

Individuals often learn about other cultures in school by reading about them, or by watching programs on television. However, actual experience of visiting or living in another country is likely to have the most profound effect on knowledge about other countries and other peoples' life-styles and increase receptivity towards foreign products [26]. Positive attitudes toward travel abroad will reflect a more international orientation. Thus, [27], [26] and [28] hypothesized that interest in foreign travel will be: a) negatively related to consumer ethnocentrism, and b) positively related to evaluation of foreign products.

[29] Also examined the strengths, weaknesses, opportunities and threats of tourism and traveling as the basis of harmonious relationships among the people around the world. She found that traveling has excellent power to decrease the distance between different cultures, "travel is a tool for attitude change" [29] (p.1438). This is similar to what [27] also believes. [28] State that increasing one's reception towards foreign products can come from a positive attitude toward travel, which will be reflected in a more international orientation. Many scholars have marked on the power of tourism help to cause to world peace [30], [31], [32]. In conclusion, positive attitude towards travel abroad tends to reduce consumer ethnocentrism [26], [27], [29], [28].

### **2.1.1.3 Other socio-psychological antecedents of consumer ethnocentrism**

Cultural openness has an adverse effect on consumer ethnocentrism [25], [33], [39]. An individualistic consumer, as opposed to one with a collectivistic mindset, is less ethnocentric [25], [33], [34], [9]. On the other hand, patriotism positively increased consumer ethnocentrism – a finding which is which supported by [25], [23], [7], [9].

### **2.1.2 Economic Environment Antecedents**

As for the second category of antecedents, economic environment was another predictor. A study conducted [15] revealed that different types of economic environments create different types of preferences toward imported goods. There are two general types of economic environment. The first is when a country is still developing and needs more support from its consumers to buy homemade products in order to boost the domestic economy. The second is when the local economy is strong enough to offer diverse product choices and can compete with imported products while also improving the quality of its domestic produce. This finding has also been supported by previous studies [35], [36].

### **2.1.3 Political Environment Antecedents**

Political environment is the third 'antecedent of ethnocentrism' category. By considering events such as September 11, the government in the USA discovered an opportunity to use this as part of its "government propaganda" to increase ethnocentrism within the home country. This finding is supported through various studies [37], [35], [15].

### **2.1.4 Demographic Antecedents**

Demographic factors belong to the final category of ethnocentrism antecedents. Studies show that age, gender, education and income can all influence the level of consumer ethnocentrism as antecedents. Young consumers, high-income earners, better educated people, the upper social class and males, in general, are less ethnocentric toward foreign products [25], [15], [7], [38], [39] [9]. Table 1 shows literature related to consumer ethnocentrism antecedents.

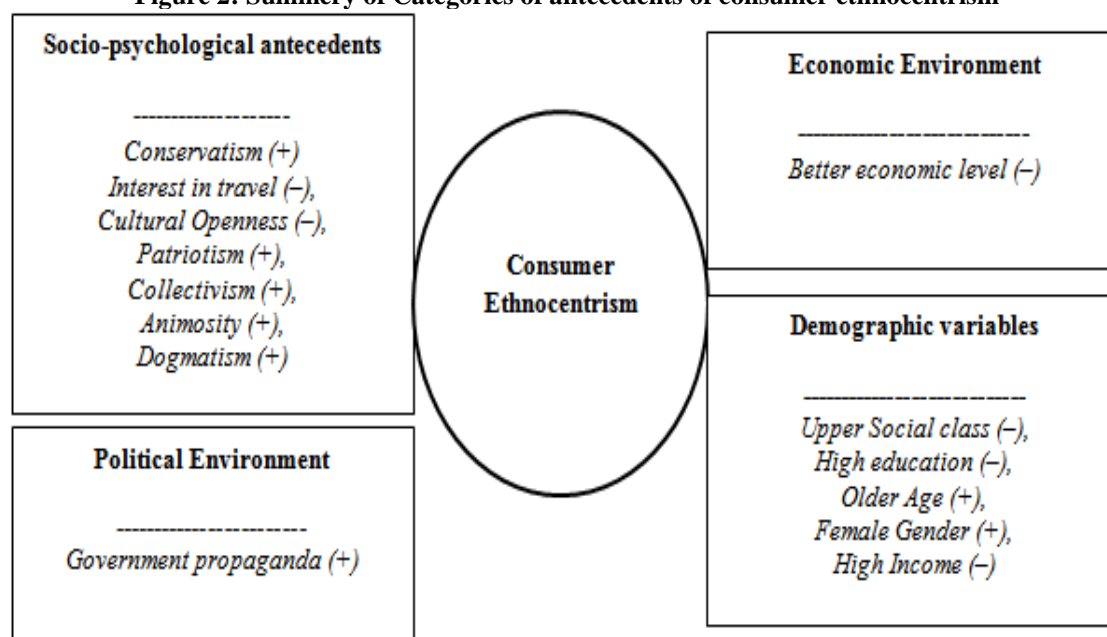
Table 1: Literature Related to Consumers' Ethnocentrism Antecedents

Antecedents	Authors & Year	Principal findings
Conservatism	[33], [24], [9], [23], [24], [25]	Positively
Interest in foreign travel	[26], [27], [29], [40], [28], [26]	Negative effect
Cultural openness	[25], [9], [39]	Negative effect
Collectivism-individualism	[25], [33], [34], [9]	Positively
Patriotism.	[25], [23], [9], [7]	Positively
Economic Environment	[35], [36], [15]	Positively when in development progress.
Political Environment	[15], [37], [35]	Positively
Age	[25], [15], [7], [38], [9]	Older people exhibit higher levels of ethnocentrism
Gender	[25], [15], [7], [38], [9]	Women exhibit higher levels of ethnocentrism
Education	[25], [15], [7], [38], [9]	More educated exhibit lower levels of ethnocentrism
Income	[25], [15], [7], [38], [9]	Increase in income will reduce the CET level
Dogmatism	[41], [42]	Positively significant
Social class	[41]	Upper social class less ethnocentric

### III. CONCLUSION

In conclusion, figure 2 summarizes consumer's ethnocentrism antecedents.

Figure 2: Summary of Categories of antecedents of consumer ethnocentrism



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