

**EXTENDING CONSUMER ETHNOCENTRISM: DEVELOPMENT AND
VALIDATION OF THE CEESCALE**

By

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ABSTRACT

The concept of consumer ethnocentrism has been in the centre of scholarly inquiry for more than twenty years. The original dimensionalisation and operationalisation of the construct has been introduced in the marketing literature back in 1987. Since then the relevant literature unquestionably applies the existing scale, namely the CETSCALE. This thesis seeks to explore consumer ethnocentrism facets under the light of increased globalisation and integration and consequently develop an enhanced measurement instrument. A mixed methods approach is pursued and as a result, several deviations from the original conceptualisation and operationalisation of consumer ethnocentrism are evidenced. Although some of the already established dimensions prevail to be equally relevant in these days, there are numerous other areas that the CETSCALE fails to capture. In particular, the new, extended scale (CEESCALE) encapsulates the novel notions of impure altruism and self enhancement, social demonstrability of benefits of consuming domestic products and finally, buying inertia. Following the development of the CEESCALE, construct validity is established. The superiority of the CEESCALE to the CETSCALE is attested by better predictive validity estimates.

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CHAPTER ONE:

INTRODUCTION

1.1 Background of Research

The increased volume of trading among nations and the subsequent access to a wide array of international products, have posed new opportunities and new threats for all businesses. Marketing inquiry into international business brought to light significant factors affecting consumer choice. The current economic crisis resulted in a shift of trends to more protectionist attitudes towards international trading. The recent strike of the Lindsey oil refinery workers in Lincolnshire as a protest towards the recruitment of Italian workers is only one example of the tense atmosphere and the fear of job losses that workers face. With the pledge of 'British jobs for British workers', the workforce of this country plainly expresses its fear for the future, arising from the employment of an increasing number of immigrants. In a world where economic integration was considered to be the most fruitful route towards economic well-being, the circumstances have changed dramatically and nations are now re-focusing their attention to their own economies. The tension between openness and protectionism is rising and it is now apparent on different levels of social life, starting from the government and reaching the individual.

The concept of consumer ethnocentrism has been introduced in the literature as a means of understanding the affective component of purchase decisions and consumers' threat perceptions arising as a result of increased globalisation. Research

on international consumer behaviour and consumer ethnocentrism in particular brought to the attention of scholars and practitioners the relationship between moral elements and the systematic preference for domestic goods.

1.2 Research Problem

The aim of this research is to address the need for a new measure of consumer ethnocentrism. Consumer ethnocentrism was originally conceptualised and operationalised by Shimp and Sharma back in 1987. Since then, an overwhelming amount of research has been conducted in an attempt to verify the antecedents and consequences of this phenomenon. Yet, recent studies unquestionably apply the established dimensions of consumer ethnocentrism from the past, failing to examine their relevance and significance within contemporary environments. In a highly competitive environment, where world trade increased in the period between 2003 and 2007 at an average rate of eight percent per annum (Rangasamy and Visser, 2009), consumers are now overwhelmed by the large volume of imported goods and start to be more receptive towards them.

The current conceptualisation of consumer ethnocentrism fails to acknowledge increased importation of goods and entails relatively extremist views, to which very few people could now endorse. In addition, recent evidence from marketing, sociology, social and political psychology suggests that there are several aspects that are not well captured by consumer ethnocentrism. Thus, the issue of re-visiting with a

view of re-drawing the construct of ethnocentrism becomes essential with the rise of globalisation and global consciousness. Consequently, new avenues are opened for a more comprehensive measurement instrument, which will tap previously unidentified facets.

Addressing this need, the thesis presented seeks to develop an enhanced conceptualization and operationalisation of consumer ethnocentrism, which will correspond to current markets. The research begins with the theoretical origins of consumer ethnocentrism and moves on to suggesting a new, comprehensive and multidimensional conceptualisation of the concept, which then forms the basis for an improved operationalisation of consumer ethnocentrism. Thus, the core aim of this research should be specified as the development of a new measurement instrument of consumer ethnocentrism. This aim encompasses the following objectives:

1. To provide a new, multidimensional conceptualization of consumer ethnocentrism using evidence from marketing, sociology and social and political psychology.
2. To develop a new measure of consumer ethnocentrism, tapping the novel dimensions proposed through multidisciplinary review of literature and qualitative evidence.
3. To assess the psychometric properties of the developed scale.

1.3 Reasons for Conducting the Research

Empirical evidence has illustrated that consumer ethnocentrism constitutes a valuable predictor of consumer attitudes (Alden *et al.*, 2006; Kaynak and Kara, 2002; Kim and Pysarchik, 2000; Sharma *et al.*, 1995; Suh and Kwon, 2002; Watson and Wright, 2000), purchase intentions (Good and Huddleston, 1995; Shimp and Sharma, 1987; Wang and Chen, 2004) and actual purchase behaviour (Witkowski, 1998; Yu and Albaum, 2002). Although the existing measurement instrument, the CETSCALE, has been found to be a psychometrically sound scale across cultural contexts, a comprehensive, multidimensional literature review illustrated that there are areas that are not captured by the CETSCALE. For example, the developers of the CETSCALE themselves, emphasised the need to incorporate sociological phenomena into marketing and consumer behaviour (Shimp and Sharma, 1987). However, the CETSCALE fails to directly apply sociological theory to the study of consumer ethnocentrism, opening new horizons for studies that will place the construct under the light of sociological phenomena. Vida and Reardon (2008) highlighted the need to acknowledge the role of affective, cognitive and normative dimensions within the concept of consumer ethnocentrism. The existing body of literature focuses on affective aspects and fails to meticulously investigate the other two. Unexplored dimensions open new horizons for improving the conceptualisation of consumer ethnocentrism and embracing its explanatory power to better understand and predict consumer behaviour.

Finally, as already proposed, the increased globalisation posed new opportunities for scholars to re-examine consumer ethnocentrism. The international trading

environment has changed dramatically since the development of the CETSCALE and thus, a re-visit of the dimensions that consumer ethnocentrism entails is crucial for the development of a new measure that will better capture current conditions.

1.4 Outline of the Methodology

This research followed a variation of the scale development process suggested by Churchill (1979). Having defined consumer ethnocentrism and presented the theoretical origins of the concept, the researcher opted for multidisciplinary literature review, which brought to light significant aspects that were not captured by past studies. In line with the scholarly recommendations for scale development (Churchill, 1979; DeVellis, 2003; Gerbing and Anderson, 1988; Netemeyer *et al.*, 2003), an exploratory study was implemented through semi-structure interviews with English consumers. Content analysis was performed following Neuendorf's (2002) recommendations and coding reliability was established through the comparison of the coding performed by the researcher and two pairs of coders (PhD Marketing students). A total of 206 items were then developed on the basis of literature and qualitative evidence. The items were developed in order to tap all the identified dimensions. The next stage involved the preparation of the questionnaire. In particular, after deciding on the format and response options, the questionnaire was subjected to content validation, using a panel of experts. Their ratings on four criteria, namely representativeness, relevance, specificity and clarity (Haynes *et al.*, 1995), constituted the basis for a rigorous statistical analysis, through which items that were associated with lower content validity were eliminated. Following the establishment

of content validity, questionnaire pretesting activities were performed in order to prevent any problems arising after the administration of the survey. Several items were rephrased and others were eliminated after reviewing the impact on multidimensionality.

Study I was designed for the preliminary item and exploratory analysis. Data were collected using a variation of the mall intercept technique (Verlegh, 2007) in a shopping centre in Birmingham. The data collected were subjected to item and exploratory factor analyses using SPSS. Through this procedure, scale purification was achieved and several items eliminated. The exploratory factor analysis indicated a five factor solution with 33 items. Studies II and III were conducted simultaneously. An a-priory decision was made to use data from Study II for scale development and Study III for replicating the results (Netemeyer *et al.*, 2003). Confirmatory factor analysis was performed to eliminate more items and verify the factor structure proposed by the exploratory factor analysis. A five factor, 17-item model was supported through satisfactory fit indices. Study III confirmed the factor structure obtained from Study II. Numerous tests were performed to support construct validity and illustrate that the developed scale (CEESCALE) is reliable and valid.

1.5 Outline of the Thesis

The thesis begins with a detailed review of the literature. Chapter 2 provides a comprehensive, multidisciplinary account of the most important theories and

empirical evidence in an effort to enhance understanding of the content and incidence of consumer ethnocentrism. Psychology and sociology are integrated in the study of the dimensions of consumer ethnocentrism to identify the gaps in current conceptualisation.

Having identified the gaps arising from unidentified or underrepresented consumer ethnocentrism facets, Chapter 3 discusses the methodological approach towards developing a Consumer Ethnocentrism Extended Scale (CEESCALE). A mixed method approach is followed and the design, sampling and analysis methods of the qualitative and quantitative inquiry are presented.

Chapter 4 discusses the main qualitative findings. Prior to that, the reliability of the coding is assessed and established. The chapter provides a detailed analysis of the dimensions identified in the course of the interviews.

Having identified the relevant consumer ethnocentrism dimensions and developed 206 items, Chapter 5 elaborates on the content validation process and the pretests implemented before the administration of the first survey.

Chapter 6 provides a comprehensive account of the procedures followed for the development of the scale. The results of the exploratory and confirmatory factor

analysis, performed on data from three studies, are presented. Different types of construct validity are assessed and supported.

Chapter 7 elaborates on the dimensions of the CEESCALE under the light of the literature used. The chapter identifies areas that were supported through the analysis and those that failed to materialise in the CEESCALE although were illustrated by literature as equally relevant. CETSCALE and CEESCALE are compared based on the dimensions that they capture.

The thesis concludes with Chapter 8, which begins with an overview of the research. Following this, a detailed account of the contribution of this research to theory and practice is provided. Limitations of the study are also discussed and avenues opened for further research are identified.

1.6 Conclusion

Having identified several gaps in existing literature, the aim of this research is to develop a new measure of consumer ethnocentrism. This introductory chapter provided a clear definition of the problem and presented sound justification for the implementation of the research. The next chapter will provide a comprehensive, multidisciplinary literature review in order to identify the areas that have not been captured by extant consumer ethnocentrism conceptualisation and build an argument for the development of a new measure.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The concept of consumer ethnocentrism has been in the centre of scholarly inquiry for more than twenty years. Since the first conceptualisation and operationalisation of the construct back in 1987, several studies have been presented, mainly focusing on addressing antecedents and consequences of the phenomenon in multi-cultural settings. The origins of the concept of consumer ethnocentrism in marketing could be traced in the sociological context of ethnocentrism. Thus, this chapter opens with a detailed analysis of ethnocentrism and its underpinnings in order to enhance the understanding of the basic principles inherited by consumer ethnocentrism. In line with the objectives of this study, a delineation of the construct's facets or dimensions is provided. Prior to that, evidence and theories from different disciplines have been employed to provide better insights into the conceptualisation and incidence of consumer ethnocentrism. Most importantly, social identity theory constituted the conceptual umbrella under which several aspects of the construct are explained. An improved conceptualisation is suggested in an attempt to enhance the explanatory power of the construct with respect to consumer attitudes and purchase behaviour. In line with past empirical results, antecedents and consequences are then discussed in detail. The chapter concludes with an overview of the current consumer ethnocentrism self-report instrument, CETSCALE, and several limitations of this scale are identified.

2.2 The Origins of Consumer Ethnocentrism: A Sociological Overview of Ethnocentrism

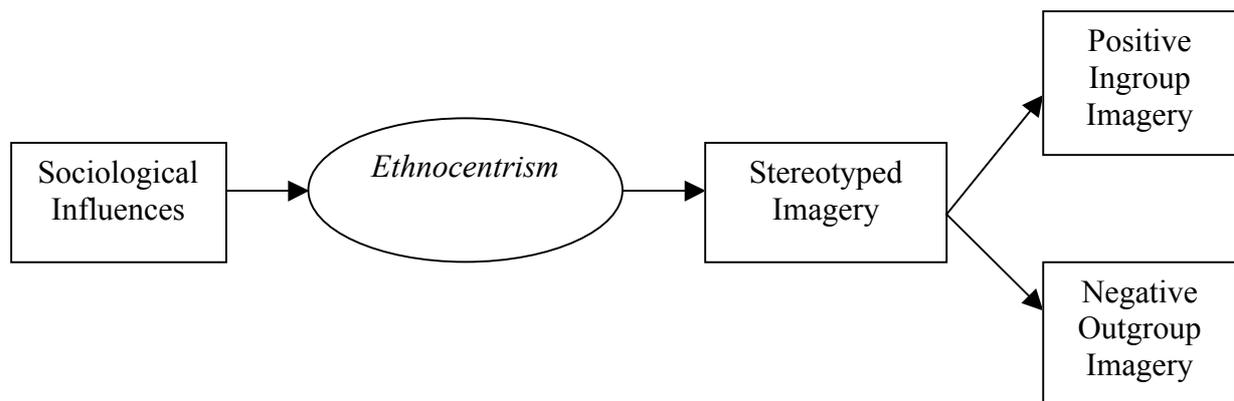
The foundations of consumer ethnocentrism were established as an extension of the psycho-sociologically defined concept of ethnocentrism. Ethnocentrism originates from the Greek words *ethnos* [=nation] and *centron* [=centre], an etymology which emphasises the use of the nation as the reference criterion and the unit from which everything starts and to which everything ends. The concept was first developed and investigated by Sumner (1906) in his pioneering book *Folkways*. Since then, ethnocentrism has been applied in a number of disciplines, including political science, political psychology, and more recently international consumer behaviour. Building on the etymology of the concept, Sumner (1906) argued that ethnocentrism is the *'technical name for this view of things in which one's group is the centre of everything, and all others are scaled and rated with reference to it'* (p.12). Although rather old, this definition and approach by Sumner continues to attract researchers' interest and is frequently used as a starting point in attempts to enhance understanding of the concept.

While ethnocentrism's etymology suggests the nation as the reference criterion, conceptual dimensions were broadened to include outgroups, which were sociopsychologically defined, such as social classes, political parties and even informal groups such as intellectuals, politicians or criminals.

The underpinnings of Sumner's viewpoint of ethnocentrism are centred on a very important notion that later caused significant amount of debate; the inseparable link between ingroup favourability and outgroup bias. Ethnocentrism is treated as a

syndrome, suggesting an indivisible ingroup favourability and outgroup bias (LeVine and Campbell, 1972). The we-group (ingroup) is characterised by feelings of superiority and pride, while the others-groups (outgroups) are perceived as inferior. Figure 2.1 summarises the main sources and consequences of ethnocentrism, as developed by Adorno *et al.* (1950).

Figure 2.1: Basic Conceptual Model



Adapted from: Adorno *et al.*, 1950

The figure illustrates that ethnocentrism is a result of sociological influences, which shape individuals' attitudes towards their nation and foreign nations. Being discussed in detail in the following paragraphs, the figure clearly emphasises a two-way result of ethnocentrism; stereotyped imagery is developed in favour of the home country and against foreign countries. According to Adorno *et al.* (1950), this process described in figure 2.1 becomes part of an individual's ideological system.

2.2.1 Ethnocentrism and Ideology

Adorno *et al.* (1950) viewed ethnocentrism as an ideological system, whose main characteristic is the generality of outgroup rejection. The construct implies an individual tendency to negatively evaluate a number of outgroups. Put differently, while the ingroup is perceived as a unique entity, the totality of the other groups is treated as another entity. As a consequence, the ingroup negatively assesses all the outgroups with no exception.

Tracing the roots of ethnocentrism in ideological systems suggests that ethnocentrism is also linked to the dimensions of the self-concept. Indeed, several studies have indicated a close relationship between ethnocentrism and the concept of the self. This relationship could be explained through the utilitarian values associated with ethnocentric attitudes. In particular, idealised self-images play an important role in ethnocentric attitude manifestations. Providing evidence to this last statement, Pearl (1954) found that those who exhibited high levels of ethnocentrism perceived their actual self as comprising of qualities that in reality belong to their ideal self image. Additionally, the salience that one attaches to his/her group membership within his/her self concept definition, is a pivotal determinant of ethnocentric attitude development (Abrams and Hogg, 1990; Turner, 1982).

In an effort to identify the sources of ethnocentrism, Smith (1992) suggested that ethnocentrism “*transcends the emptiness of egoistic pleasure seeking and has its roots in deep human needs*” (p. 87). However, Smith does not offer insights into the nature and origin of these needs. Turning our attention to human needs, the conceptual implications of ideology provide the foundations for understanding the ways in which

these needs are developed and communicated within the society. More specifically, according to ideology's most significant characteristic, pervasiveness, it is rational for one to argue that ethnocentrism is a stable over time human characteristic. Capitalising more on ideological features, evidence was provided, indicating that ethnocentrism was developed through various sociological influences and personality traits (Adorno *et al.*, 1950; Thomas, 1974). Focusing on the sociological effects, it has been found that outgroup bias is transmitted from significant adults and peers in our formative years (Pearl, 1954). Therefore, it is concluded that ethnocentrism is in fact learned and it is developed during the early years of our lives.

On the other hand, personality traits, although individually unique, are partly shaped under the influence of societal factors. Adorno *et al.* (1950) were the first to investigate the relationship between personality and ethnocentric sentiments. Their research provided sound evidence for the relationship between authoritarianism as a personality trait and ethnocentrism. Their findings suggest that an authoritarian individual seems to be more open to ethnocentrism and, therefore, more prone to biased judgments. The extent to which prejudice affects solely ingroup judgments or extends to outgroup evaluations is a matter of significant debate, which has its roots in the underlying dimensions of patriotism.

The use of the patriotism subscale within the broader ethnocentrism scale by Adorno *et al.* (1950) provided empirical justification for the relationship between patriotism and ethnocentrism. The correlation between the two scales provided support for the predictive ability of patriotism in terms of ethnocentrism levels. Although the scale was named patriotism scale, therefore, suggesting that it captured tendencies of

ingroup favourability only, the authors acknowledged the fact that their instrument measured pseudopatriotism, which involved conformity with the ingroup as well as hostility towards outgroups. Due to the fact that the two scales were found to be correlated, it is concluded that ethnocentrism is linked to negative attitudes towards other nations and not simply positive associations of one's own country. Considering Kosterman's and Feshbach's (1989) definition of nationalism, it could be argued that the two concepts of pseudopatriotism and nationalism could be used interchangeably. The relationships between ethnocentrism and nationalism and ethnocentrism and patriotism, as well as their impact on shaping attitudes towards outgroups are discussed in great depth when addressing the issue of incidence of consumer ethnocentricity.

The literature presented above suggests that there are two fundamental problems with the concept of ethnocentrism. Firstly, the concept implies that ingroups are always rejecting outgroups. However, evidence from a number of studies (Mullen *et al.*, 1992; Ng, 1982) has illustrated the tendency of minority groups to devalue their own group members and exhibit a more favourable attitude towards outgroup members. These findings challenge the basic meaning of ethnocentrism and encourage researchers to investigate ethnocentrism phenomena under a new light. Related to this first problem, the second area that necessitates clarification is the power relations between the groups. In the first stages of empirical investigation, the concept of ethnocentrism treated all groups as equals and failed to appreciate that there could be power differences between them (Deschamps, 1982). This failure has serious implications in relation to ingroup-outgroup relationships. As in the case of minority groups, by appreciating the differences between low and high status groups, low

status groups are likely to make efforts to approach the high status group members instead of automatically rejecting them. Power relations, seen in the light of social identity theory, are discussed in detail in the 2.3.1.2 section.

After elaborating on the theoretical origins of the construct under investigation and presenting a detailed definition of ethnocentrism in sociology, the concept of consumer ethnocentrism will now constitute the focus of the remaining chapter. The definition of the concept will be presented and enhanced via the use of social identity theory and several gaps in the conceptualisation of the construct will be identified through a multidimensional review of the literature.

2.3 Consumer Ethnocentrism Specifics

Consumer ethnocentrism was born as a result of the application of the psychosociologically embedded concept of ethnocentrism in the marketing context. It utilises the same underpinnings as the construct of ethnocentrism in sociology. The introduction of the concept (Shimp, 1984) was welcomed by researchers in the field and until the present day, it generated a vast amount of empirical studies. The subsequent sections aim to enhance the understanding of the consumer ethnocentrism construct by investigating the definition, incidence, antecedents and consequences of this phenomenon. Drawing upon the literature in sociology in general and ethnocentrism in particular, would be critical for presenting the underlying concepts and implications of consumer ethnocentrism.

Consumer ethnocentrism was defined by Shimp and Sharma (1987) as '*the beliefs held by [American] consumers about the appropriateness, indeed morality, of purchasing foreign-made products*' (p. 280). Parallel to Smith's (1992) view of ethnocentric sentiments rooted in deep human values, consumer decision making also includes strong moral and social considerations. The reason for the construct's association with morality lies in the fundamentals of moral values; they focus on acts that are likely to be helpful or harmful for the lives of humans in the long term (McGregor, 2006). The concept involves significant affective, cognitive and normative implications (Vida and Reardon, 2008), developed as a consequence of one's attachment to the country, perceptions of domestic goods' superiority and pressures from societal forces to exhibit ethical behaviour.

The basic underpinnings of consumer ethnocentrism have been inherited by the ethnocentrism construct and could be summarised in people's evaluation of foreign products using domestic standards. For an ethnocentric consumer, purchasing foreign products is perceived unpatriotic, leads to loss of jobs and hurts the domestic economy. Ethno-national identity was found to be positively related to willingness to help, depending on the salience of the threat (Olsen *et al.*, 1993). Consumer ethnocentrism is believed to provide individuals with directions, a sense of belonging to a group and some 'rules' relating to their purchase behaviour so that they have standardised perceptions of what is acceptable and what is inappropriate.

A more recent conceptualisation of the construct brings to light a very valuable finding; the amalgamation of three important elements in an ethnocentric behaviour (Vida and Reardon, 2008). Specifically, the definition and content domain of

consumer ethnocentrism imply that this concept encompasses affective (the sense of belonging, love towards the country), cognitive (stereotype development and cognitive distortion) as well as normative elements (societal forces to act towards the common good). It is interesting to note however, that the overwhelming body of research within this domain has heavily emphasised the affective elements of the construct, understating the other two mechanisms that play an equally important role. The use of multicue models has extended the scope of consumer ethnocentrism research, so that the relative importance of ethnocentric tendencies as opposed to extrinsic cues, such as brand equity, could be assessed. Although the definition of the construct by Shimp and Sharma (1987) did not accommodate for possible elasticity of consumer ethnocentrism with respect to product attributes, later evidence illustrated that this phenomenon is not inelastic and the relative importance of ethnocentrism and specific extrinsic cues could constitute a fruitful area of research. Herche (1994) found that consumer ethnocentrism is the strongest buying determinant, with results showing that consumer ethnocentrism is a more important factor when predicting import buying than marketing mix variables, including pricing. In addition, it is found that the CETSCALE, the dominant scale used to measure the levels of consumer ethnocentricity, is a stronger predictor of import buying behaviour than demographic variables (Herche, 1992).

Following from brand studies, evidence has been presented relating to the relative importance of country-of-origin cues and brand equity dimensions. Interestingly, it is found that in some cases, consumers perceive country-of-origin as most significant cue rather than brand name (Ahmed and d'Astous, 1993; Ahmed and d'Astous, 1996). Evidence from Singapore has pointed that although western brands were rated higher

than eastern ones, the purchase intentions were more favourable for eastern brands (O’Cass and Lin, 2002). This study illustrated that there is always a trade off between value (pointing to the direction of domestic brands) and brand image (pointing to the direction of western brands). On the other hand, it is found that quality perceptions, as well as conspicuous consumption could counteract ethnocentric influences (Wang and Chen, 2004), suggesting that these two factors are more valid predictors of purchase behaviour. Contrary to these findings, a Slovenian study indicated that consumer ethnocentrism was in fact a stronger determinant of purchase behaviour than quality perceptions (Vida and Reardon, 2008). Either way, the established significance of consumer ethnocentrism across a variety of cultures and products, forced Sharma *et al.* (1995) to argue that research should not address the issue of the existence or non existence of the phenomenon but rather the levels of ethnocentricity within a specific context.

The definition of consumer ethnocentrism by Shimp and Sharma has received a significant amount of criticism due to its failure to emphasise the product-specificity of the construct. A plethora of researchers claimed that the explanatory power of the concept has been critically weakened due to the fact that the developers have failed to acknowledge the impact of product type and product category on consumer ethnocentrism levels. Various studies (Balabanis and Diamantopoulos, 2004; Herche, 1992; Kaynak and Cavusgil, 1983; Leonidou *et al.*, 1999, Thelen *et al.*, 2006) have illustrated that variations could be observed even within the same ethnic group and are attributed to product category differences. Empirical evidence illustrated that for some product types, the moral obligation consumers felt to purchase domestic products could be weakened by product characteristics (Thelen *et al.*, 2006). Thus, treating

consumer ethnocentric tendencies as general predispositions towards all foreign goods is an extremely narrow view of the construct and limits the possibilities for in-depth research. Studies by Kaynak and Cavusgil (1983) in Canada and Leonidou *et al.* (1999) in Bulgaria have shown that a country may score high in one product category and low in another. For example, Leonidou *et al.* (1999) found that Bulgarian consumers rated Japanese electronics highly, whereas Japanese personal care items received lower scores. Thus, the scope of research becomes broader so that it includes both between-country and within-country variation analysis.

Product involvement (Lantz and Loeb, 1996), perceived product necessity (Huddleston *et al.*, 2001; Javalgi *et al.*, 2005; Sharma *et al.*, 1995) and symbolic product/brand benefits (Supphellen and Gronhaug, 2003; Wang and Chen, 2004; Zhou and Hui, 2003) were addressed in past literature and found to significantly affect the degree of ethnocentrism impact on attitude formation. More specifically, it has been confirmed by various studies that the more necessary an item is, the less impact ethnocentrism would have on attitudes (Huddleston *et al.*, 2001; Javalgi *et al.*, 2005). Additionally, low involvement products or products to which consumers attach significant symbolic values are capable of diminishing the impact of consumer ethnocentrism on beliefs.

Herche (1992) identified four possible explanations for the product-specificity of the consumer ethnocentrism construct. High-priced items are more likely to generate greater ethnocentric sentiments, due to the greater economic impact of a possible purchase of such goods. Consequently, variations in relation to attitudes and purchase intentions could be observed for high priced items such as automobiles and low priced

goods such as food. A second explanation for the product-specificity of consumer ethnocentrism is associated with the unavailability of acceptable domestic alternatives in the market. In this case, even ethnocentric consumers will be forced to purchase imported goods. Varying levels of involvement could also constitute a solid explanation for the observed differences among product categories. As already stated in the previous paragraph, the level of product involvement has been established as one of the most influential moderating factors in the relationship between ethnocentricity and consumer attitudes (Lantz and Loeb, 1996). In particular, high involvement products are likely to evoke higher levels of ethnocentrism, due to greater emotional reactions to country of origin. Finally, Herche (1992) also appreciated the importance of consumers' familiarity with the product origin. If people are not certain about a product's country of origin, then, they cannot express their opinions for or against this product.

Highly relevant to developing countries' contexts, the role of symbolic product/brand benefits constitutes an additional explanation that could be added in Herche's list. Most of the literature is consistent with respect to symbolic meanings that people attach to specific products/brands. Having appreciated the fact that consumers within developing countries make efforts to imitate the behaviour of consumers within developed countries and consume foreign products in order to embrace a high status image, it can be easily deduced that symbolic meanings of brands play a significant role when consumers evaluate and purchase products. Sound evidence has been presented by Supphellen and Gronhaug (2003), who investigated the dynamics of consumer ethnocentrism in transitional Russia. Their results showed that symbolic benefits became more important for consumers as societies evolved from lower to

higher socio-economic levels. In fact, it has been established that the role of symbolic brand benefits is so important, that it may counteract the effect of ethnocentricity on product beliefs (Wang and Chen, 2004). For example, Zhou and Hui (2003) indicated that symbolic brand benefits are so strong that surpassed in importance even utilitarian attributes.

Finally, it is important to acknowledge the fact that consumer ethnocentrism varies in its impact on attitudes and purchase intentions according to domestic product availability or unavailability. Therefore, it is highly valuable to investigate into the products available in the market before research is conducted. Klein (2002) has argued that the concept of consumer ethnocentricity becomes an irrelevant concept when domestic alternatives are not available, while other studies have shown that consumer ethnocentrism plays no role in situations of local product unavailability (Nijssen and Douglas, 2004). Yet, numerous studies have indicated that the concept is equally important even in these situations and a plethora of researchers have argued that high ethnocentric levels are observed through the preference of products originating from culturally similar countries (Leonidou *et al.*, 1999; Watson and Wright, 2000). When domestic products are available, highly ethnocentric consumers would show a preference for domestic products but when there are only foreign alternatives, the factors that determine purchase intention for such consumers should be considered.

As a consequence of domestic product unavailability, the meaning of the concept of morality emphasised in the definition of consumer ethnocentrism should be modified to accommodate for the inevitable choice between foreign offerings. Considering that

the core attribute of consumer ethnocentrism is summarised in the evaluation of foreign products having as standards domestic alternatives, the unavailability of domestic products automatically cancels the standard basis and creates more opportunities for international goods to be evaluated more favourably. Validating this statement, Nijssen and Douglas (2004) found that foreign products were in fact evaluated positively in the absence of domestic alternatives. Under these circumstances and taking into consideration previous research, scholars should emphasise the need for a more comprehensive conceptualisation of morality, which encapsulates the purchase of products that originate from countries which are associated with low cultural distance to the domestic country.

The literature on consumer ethnocentrism has mainly addressed the antecedents and consequences of the phenomenon, with researchers opting for cross-cultural applicability of the sources and outcomes presented in past studies. Through reviewing a substantial amount of publications, the researcher identified five methodological approaches within the consumer ethnocentrism domain. The first method, which has dominated research on consumer ethnocentrism, is the survey. An overwhelming amount of scholars have implemented quantitative research using self report questionnaires, in order to measure the levels and identify the sources that give rise to ethnocentrism. More specifically, the use of the CETSCALE, a self-report measure of consumer ethnocentrism, was employed by a sizeable amount of studies. The second method, although with limited representation, includes experimental research; it has been employed by researchers mainly in multicue studies, where the main objective is a comparative analysis of the various cues. For example, Leclerc *et al.* (1994) used experimental designs to understand the effect of foreign branding on

customer perceptions and attitudes. Through testing consumer reactions to foreign brand pronunciation or taste, the researchers aimed to identify consumer attitudes towards a foreign brand before and after the treatment. Provision of precise information (including product size, price and ingredients) as well as tasting and their effects on brand perceptions were also tested by Ueltschy in Colombia (1998).

Conjoint analysis was the third method used in published studies on consumer ethnocentrism and country-of-origin effects (Ahmed and d'Astous, 1993; Ahmed and d'Astous, 1996; Bruning, 1997). The advantage of this technique is that, similar to experiments, it allows scholars to evaluate product attributes and situational factors in consumer preferences. An indicative case of conjoint analysis is found in Bruning's study of international air travel (1997). The study employed conjoint analysis in order to understand consumer preferences of air carriers and the different attributes that influence their choices.

The fourth approach encountered in studies of consumer ethnocentrism was associated with a more exploratory character and included ethnographic techniques. Although extremely valuable when issues need to be explored in great depth, qualitative research is underrepresented in this field (Amine *et al.*, 2005; Shimp and Sharma, 1987; Shimp *et al.*, 1993). Interviews have been used by Shimp and Sharma (1987) in order to identify and define the content domain of the construct, while later, Shimp *et al.* (1993) conducted in-depth interviews to capture the cognitive structure of consumers when they evaluate products from different countries. Amine *et al.* (2005) were the only scholars that applied case study research to address the issues of country-of-origin, animosity and price-quality perceptions and their effect on

consumer attitudes. Finally, the most recent approach in consumer ethnocentrism studies includes the application of implicit measurement to obtain a holistic view of the phenomenon. Braun and Zaltman (2002), Cunningham *et al.* (2004) and Maison *et al.* (2004) have appreciated the impact of implicit stereotypes on consumer ethnocentrism levels and empirically proved that there are large discrepancies between the self-reported consumer ethnocentrism and the implicit one.

The identification of the methodological approaches in consumer ethnocentrism reveals a significant gap. The extensive use of surveys is likely to have caused a dissociation of the concept from the consumers, resulting in poor conceptualisation of consumer ethnocentrism. Considering that the study by Shimp and Sharma in 1987 stands out as the most significant attempt to approach consumers' perceptions of ethnocentrism in consumption and taking into consideration that no other study since then has addressed the concept from the consumers' point of view, it is rational to argue that the conceptualisation and underlying dimensions of the construct could now be outdated. The new marketing era, characterised by global branding and elimination of trade barriers at various levels, is likely to have altered the meaning of ethnocentrism. Therefore, in the light of a possible concept evolution, more qualitative research is advisable to ensure applicability of the concept in contemporary international business environments.

The literature review is structured across incidence, dimensions, antecedents and consequences of the phenomenon of consumer ethnocentrism. These sections aim to present a holistic and more up-to-date overview of the context and content of the construct through the amalgamation of different principles. More specifically, a

sociological analysis of the concept of ethnocentrism sets the boundaries and allows parallelism to the types and forms of the construct of consumer ethnocentrism. Boundaries are better defined through the theory of social identity, which enables understanding of the intergroup relations and their different types. Social identity theory provides the foundation upon which the different consumer ethnocentrism components are developed. The notion of consumer ethnocentrism as being a type of pro-social behaviour is introduced and evidence is provided regarding the different motivations behind it.

The novel idea of consumer ethnocentrism being a form of pro-social behaviour and its explicit association with more sociological phenomena are believed to offer a more contemporary conceptualisation of the construct under investigation. The theories described in the following sections with respect to pro-social behaviour, social identity, altruism, patriotism/nationalism and stereotypes are considered to be highly relevant to the domain of consumer ethnocentrism. One could argue that these concepts, mainly derived from the field of sociology, social and political psychology contribute to the definition, boundaries, incidence and antecedents as well as consequences of the phenomenon. Summarising, the application and integration of evidence from various disciplines attempted in this thesis for the purposes of gaining insights into the construct of consumer ethnocentrism, are justified by their relevance and contribution in the domain of consumer ethnocentrism. The proposed new dimensions indicated by interdisciplinary literature review are later tested through qualitative inquiry.

Following the detailed definition and presentation of the major consumer ethnocentrism underpinnings, the next step involves the investigation of the incidence of this phenomenon in the light of theoretical and empirical evidence from sociology. This will provide the foundations for an enhanced conceptualisation of the proposed extended consumer ethnocentrism construct.

2.3.1 Understanding Incidence: Insights from Sociology

The purpose of this section is to gain an insight into the major components of consumer ethnocentrism. Crucial to the content analysis of this phenomenon is the debate that dominated the ethnocentrism literature concerning the view of outgroup derogation phenomena as inevitable results of ethnocentric sentiments. How can we define ethnocentrism in terms of intergroup relations? How are the levels of ethnocentric tendencies determined? Which are the different types of ethnocentrism and their characteristics? Providing the background knowledge of the nature and types of ethnocentrism would enhance the understanding of incidence of the phenomenon of consumer ethnocentrism. Only when the different types of ethnocentrism manifestations are acknowledged, are we able to appreciate all the dimensions that contribute in the development of ethnocentric tendencies in consumption and acknowledge the circumstances under which consumer ethnocentrism is nourished.

2.3.1.1 Ethnocentrism Manifestations: Ingroup Favourability and Outgroup Derogation

From the first stages of the research on ethnocentrism, the construct was associated with stereotypic attitudes towards the ingroup and the outgroup. Stereotypes imply the reliance on a single dimension to form perceptions relating both to ingroup and outgroup members. For example, if nations are examined, then ethnocentric people are likely to base their perceptions on the 'foreignness' of the other nations. Ingroup is perceived superior and is used as a reference criterion, with which all others are assessed, while the outgroup is perceived as a threat, seeking to gain power and undermine ingroup superiority.

Devine (1989) argued that all people are knowledgeable of cultural stereotypes since these are part of social heritage, but the differentiating factor between low and high prejudice individuals is the effort put into inhibiting stereotypes that might not overlap with their personal beliefs. Adding to this last statement, Hadjimarcou and Hu (1999) showed that stereotypes, in addition to having a direct effect on judgments, could also lead to differential processing, where individuals proceed in interpreting or selectively processing information in a stereotype-consistent way.

Later evidence suggested that the construct described by Sumner is only the extreme variation of ethnocentrism (Brewer and Campbell, 1976) with Smith (1992) making a distinction between the good side of ethnocentrism, including pride in one's group identity and the bad side of ethnocentrism, which can be identified in the antagonistic behaviour against the outgroup. The results of the East African study by Brewer and Campbell (1976) indicated that ingroup members with high self-regard values were

more likely to exhibit high preferential responses to some groups, as opposed to others. Thus, this finding suggests that ingroup favourability is not necessarily accompanied by rejection of outgroups. Further evidence for the distinct consequences of ethnocentrism could be found in Heaven *et al.* (1984). The results of this research highlighted the existence of ethnocentrism as a distinct phenomenon from racism, challenging the work by Adorno *et al.* (1950), who formed the ethnocentrism scale based on negative attitudes towards the outgroups (Anti-Semitism, attitudes towards Negroes and other minority groups). Distinguishing between the two phenomena, Perreault and Bourhis (1999) suggest that ethnocentrism leads to outgroup discrimination only when individuals were highly attached to their group. Empirical evidence presented by Perdue *et al.* (1990) also indicates that intergroup discrimination is based mainly on ingroup enhancement rather than outgroup derogation. In fact, this ingroup-outgroup polarisation established with the origins of the ethnocentrism construct, is now argued to be only one type of ethnocentrism occurrence. This form of ethnocentrism is termed by Raden (2003) classic ethnocentrism and it involves the indivisible linkage of ingroup favourability and outgroup rejection.

Contemporary theory on ethnocentrism distinguishes between the different types of this phenomenon, ranging from simple ingroup bias to pure ethnocentrism. Simple ingroup bias is a weaker form of ethnocentrism, occurring when ingroup members rate themselves more favourably, but these positive evaluations are not paired with negative evaluations of outgroup members (Raden, 2003). These three concepts are all expressions of ethnocentrism; the distinction between them is perceived in the ingroups' attitudes towards outgroups. Raden suggested that variations of

ethnocentrism can be placed on a continuum with the two extremes being classic ethnocentrism (as defined by Sumner) and non-ethnocentrism while simple ingroup bias could be positioned toward the middle of the continuum. Therefore, it is important to appreciate that ethnocentric sentiments exist even when individuals do not view other groups in a hostile manner. Raden (2003) identified five different typologies of ethnocentrism, based on subjects' perceptions (favourable, neutral, unfavourable) of their own and of other groups. The typologies included:

Positivity: favourable ratings of ingroup and outgroup,

Self-dislike: favourable outgroup and unfavourable ingroup ratings,

Neutral matching: both ingroup and outgroup ratings neither favourable nor unfavourable,

Classic ethnocentrism: favourable ingroup and unfavourable outgroup ratings,

Misanthropy: both ingroup and outgroup ratings are unfavourable.

The literature review findings indicated that the notion of classic ethnocentrism is less common than simple ingroup bias, which is a weaker expression of ethnocentricity. Supporting this distinction of ingroup favourability and outgroup hostility, Freud (1955) defined ethnocentrism in relation to the behaviour of ingroup members without making any reference to the behaviour towards the outgroup. His view of ethnocentrism included a 'code of conduct' for ingroup members, suggesting that the latter should be extremely tolerant with peculiarities of other members of their group and stresses only feelings of love toward them.

The implications of the different types of ethnocentricity for the purposes of research on consumer ethnocentrism are of paramount importance. Given that the major

consumer ethnocentrism characteristics stem from the ethnocentrism theory, it is rational to expect variations in consumers' attitudes towards foreign products parallel to the variations observed in ingroup-outgroup relations. Although the definition by Shimp and Sharma (1987), with its strong emphasis on morality, implies parallelism between consumer ethnocentrism and classic ethnocentrism, later evidence suggested that even for highly ethnocentric consumers, bias towards foreign products could be limited to purchase intention or behaviour only and not cognitive evaluations or attitudes (Supphellen and Rittenburg, 2001). These findings provide evidence for the development of a similar behaviour to simple ingroup bias as a variation of consumer ethnocentrism.

The complexity of consumer ethnocentrism phenomena increases with the nature and form of evaluations of home country. It is important to take into consideration that, although ingroup bias is very common in consumers' mindsets, it cannot always be translated into consistent preference for domestic goods. In fact, scholars should be very cautious when addressing ingroup ratings. Evaluation of the ingroup involves a balance between bias and reality, implying that consumers will not always prefer the domestic products. In many cases, ingroup bias might not be so strong as to compensate for other shortcomings in some product attributes, such as price (Verlegh, 2007). Consequently, consumers in some cases might prefer the foreign products as opposed to the domestic ones.

The acknowledgement of different forms of consumer ethnocentrism calls for a meticulous examination of the determinants of the intensity with which this phenomenon is manifested. Following from the literature on ethnocentrism and its

emphasis on intergroup relations as the most important determinant of the different types of ethnocentrism, the main focus towards understanding the incidence of consumer ethnocentrism would be placed on investigating the nature of ingroup-outgroup relations. Enhancing knowledge of intergroup relations is believed to be a vital prerequisite of identifying the components of the construct of consumer ethnocentrism.

Social identity theory, with its emphasis on intergroup relations and power comparisons, provides the conceptual umbrella under which all individual contents of consumer ethnocentric tendencies would be examined. In the theory of social identity one can find the most solid justifications for the development of ethnocentricity in consumer behaviour. Empirical evidence for the ability of social identity theory implications to explain consumer preferences, thus complementing the explanatory power of consumer ethnocentrism, is provided by Lantz and Loeb (1996).

2.3.1.2 Group Identification and Social Identity

2.3.1.2.1 Understanding Groups

From the beginning of life in this world, individuals divided themselves into groups. As societies evolved, the numbers, complexity and interconnectivity of groups increased and contemporary societies are now organised on the basis of multiple networks of human categories. Turner (1982) defined a social group as *‘two or more individuals who share a common social identification of themselves or, which is nearly the same thing, perceive themselves to be members of the same social*

category' (p. 15). It is interesting to note that, according to this definition, the bond that ties individuals together in a group is pure perception. This collective perception of shared ideas seems to be adequate for individuals to act as a group. The minimal group paradigm (Tajfel *et al.*, 1971) is a good illustration of perceived unity being accountable for ingroup bias. By assigning individuals to two groups, one consisting of Klee fans and the other consisting of Kandinsky fans and allowing no interaction between group members, the researchers managed to provide evidence for ingroup bias. The subjects were informed about their group membership and were asked to provide tokens to other participants. Interestingly, even though there was no interaction and acquaintance between participants, subjects allocated more tokens to their perceived group members. This result provides readers with the empirical evidence that perception of similarity among some individuals is sufficient for them to perceive themselves as a group.

Literature has acknowledged two bases for group definition; affective and perceptual or cognitive elements could be perceived as the foundations for setting the group boundaries. The affective model is associated with a narrower perspective of the group, recognising cohesion as the only requirement for a number of people to be defined as a group. This model is closely linked with the minimal group paradigm, due to the fact that is heavily dependent upon cohesion, which is mainly a perceptual attribute. In contrast, the second model argues that emotional bonds are not adequate when defining groups and that cognitive aspects provide the main conditions when determining the group boundaries. People base their categorisations on critical attributes, which are perceived to be common within group categories. Attributes that are assessed and constitute categorisation criteria include physical, social and self

dimensions. The most heavily researched groups are nations, where both cognitive and affective elements play an important role in defining the boundaries of the group. Emotional elements such as history or religion and cognitive aspects including the physical borders of each country, interact to define the nation and its boundaries.

Complexity in social research occurs as a consequence of one's multiple group memberships, starting from larger groups such as citizens of a specific region (the European Union for example) to smaller groups, such as one's family group. Not all the groups an individual belongs to are salient to him/her; some groups are more important than others. In addition, group salience varies under different circumstances. For example, a British person might not consider his ethnic identity as a salient one when he is within Britain, but feelings of strong attachment to his ethnic group could be raised when he visits a foreign country. The significance of group memberships have forced researchers to place their focus on intragroup as well as intergroup relations and the ways in which these are formed, developed and connected. In fact, intergroup relations are receiving significant amount of attention for more than fifty years now.

2.3.1.2.2 Intergroup Relations in the Light of Social Identity

In an attempt to shed light on the factors that shape intergroup relationships, various domains have been examined. In its embryonic stage, intergroup research focused on political cohesion and conflict within political ideologies. In later stages, social psychology provided a more fertile ground for providing insights into the most significant determinants of the structure of relationships among groups. Within this

context of social psychology, three major theories have been developed to address the major components of intergroup relations, namely social identity, system justification and social dominance theories.

Huddy (2004) provides a comprehensive review and comparative analysis of the three models developed to address intergroup relations. According to this study, the efforts to understand relationships among groups should be examined in three levels; the individual, the group and the society level. Huddy argues that the most vital difference between these theories is their focus on each of these three levels. Ideally, theories should pay equal attention to all these levels, due to the fact that personal, group and societal attributes interact with each other to shape intragroup as well as intergroup relationships. Comparing the three theories, the social dominance model seems to be the most comprehensive because it addresses all three levels (Huddy, 2004). However, for the purposes of this thesis, special attention will be placed on the social identity theory, because of its unique ability to explain intragroup bias and intergroup conflict (Huddy, 2004). It is this feature of the model that is expected to provide better insights into the phenomenon of ethnocentrism and enhance our understanding of the contexts in which such sentiments are developed. The rationale for selecting social identity theory to explain ethnocentric tendencies is that this paradigm offers explanations for intergroup conflict, allowing the researcher to better understand and analyse the components and forms of consumer ethnocentrism.

Social identity theory has manifested its significance in various domains, including political science, sociology and psychology. Most importantly though for the purposes of this thesis, the concept of social identity provided the psychological basis for

understanding consumer behaviour. For example, Kleine *et al.* (1993) had found that individuals purchased products that were consistent with their social identities, so that they could enhance their image of their self. Products are seen as facilitating artefacts for identities that are salient to the individual. Social identity as defined by Tajfel (1972) is an '*individual's knowledge that he/she belongs to certain social groups together with some emotional and value significance to him/her of the group membership*' (p. 31). From this definition, two aspects of the social identity construct prevail as the most important ones; the cognitive aspect of categorisation and the affective aspect of emotional attachment arising from this process of categorisation.

The foundations of social identity lay on two different levels; personal and historical/cultural dimensions collaborate in forming the structure of the identity portrayed to the society (Reicher, 2004). Consequently, one receives influences from two different environments, personal standards and cultural attributes. Kleine and Kleine (1999) emphasise that both inside-out and outside-in factors affect identity formation and change. In simpler terms, identity could be shaped both by societal influences, which later are embedded in one's inner self or it could be formed through inner processes that subsequently are influenced by societal attributes. Having said that, it is rational to support that each person is thinking and acting on two levels; the personal and the group level. These levels are not always complementary to each other, but could produce conflicting perceptions and/or behaviour. As Turner (1982) suggests, it is likely for different parts of the self concept to be employed in different situations, leading to different self images. The possibility of different parts of the self concept working on image formation implies that it is likely for social identity to function to the exclusion of personal identity or vice versa. Put differently, it is possible for one to

think of himself/herself as a group member in a given situation, but when other conditions apply to perceive himself/herself as a unique individual.

When personal and social identities function in conflict, the salience attached to personal or social level depends on social and media connections as well as esteem related to identity (Kleine *et al.*, 1993). Identity salience antecedents underline the profound effect of exogenous factors when determining identities' hierarchy. People attach greater salience to identities that could be enacted in the given environment to those that require resources that are available and those whose enactment will attract positive feedback from other people. The above criteria suggest that people tend to select between personal and social identities according to the circumstances formed mainly by external factors. Thus, the evidence provided by Kleine *et al.* (1993) provides additional support for the varying significance of the different identities.

2.3.1.2.3 Goals of Social Identity Enhancement: Caring for the Group or for the Self?

As already stated, all individuals categorise themselves in certain groups. Each person could be a member of various groups and as a result, have a number of social identities. Social and personal identities are major components of the self-concept and, thus, are developed in such a way as to enhance a positive self-concept. Emphasising the self-concept enhancement process, social identity theory is rooted in one's efforts to be superiorly distinct in relation to other groups. The core assumption of the theory is that groups constantly compete with each other for resources, rights and power (Abrams and Hogg, 1990) and are seeking superiority in any of these

areas. To summarise, social identity theory defines groups in comparison to each other and recognises each group's need for distinctiveness.

A plethora of studies have illustrated that motives behind actions towards the common good is not always purely altruistic. Although in previous years studies of self enhancement and intergroup comparisons were highly distinct, recent research tends to abolish the distinctions between these two phenomena and integrate individualistic and collectivistic patterns in individual studies (Lindeman, 1997). As a result, a number of researchers have found that group enhancement processes are likely to put into practice to satisfy self enhancement aspirations. More specifically, empirical evidence illustrated that acting for the group welfare could be attributed to self enhancement goals (Caddick, 1982; De Cremer, 2001; Tropp and Brown, 2004). For example, the terrorist attacks of September 11, 2001, resulted in Americans' negative perceptions of their self concepts (Black and Dube, 2007). Their efforts towards enhancing their image were observed in the increase of ethnocentrism levels, so that the feeling of superiority and perceived power could be regained. Another example could be found in Caddick's study (1982). More specifically, the author argues that a major objective of individuals is to build a positive self concept. In order to achieve this goal, people make efforts to enhance distinctiveness through their social identities. By making comparisons with other groups and being able to establish a better image of themselves in salient dimensions, group members also establish a positive self concept. Furthermore, Tropp and Brown (2004) had found that individual enhancement could satisfactorily predict collective action. In fact research results imply that although concerns over the group welfare could evoke interest in collective

action, actual participation in such actions might also require some connection to personal experiences.

Moreover, self-esteem concerns have also been extensively discussed as drivers towards self concept enhancement. Embracing self esteem is translated into increased salience of the personal identity as opposed to the social identity. However, self esteem aspirations should not be translated into the exclusion of the social identity, due to the fact that social identity enhancement is used as a vehicle for self enhancement. In fact, self esteem has been viewed both as a cause and a result of ingroup favouritism and collective action (Abrams and Hogg, 1988 cited in De Cremer, 2001). Empirical data has been presented mainly in relation to collective self esteem as a cause of ingroup favouritism and a positive correlation has been established; the more collective self esteem one possesses, the more ingroup bias would exhibit (Hornsey, 2003).

Just as there is a significant possibility for people not to be identically attached to different groups comprising their social identities, it is also likely, as already developed, that group attachment varies according to different situational factors. The interpersonal-intergroup continuum (Brown and Ross, 1982) is a good illustration of the varying levels of group identification. Threats to distinctiveness perceived by an inferior group could shift social orientation from the intergroup to the interpersonal level, as people seem more willing to move to a superior group when they perceive a high degree of threat. Threat might be perceived in relation to group welfare and interests or it could involve concerns over self-interests and self-esteem. The domain in which threat is observed is a determinant factor of the level that individuals would

focus on; personal or social identity. The most frequently encountered route towards obtaining and/or preserving a positive personal and social identity is through stereotype formation.

2.3.1.2.4 Pursuing Distinctiveness: The Stereotyping Path

In order to investigate the major implications of social identity theory, it is vital to appreciate the most basic distinction between groups as defined by the social identity literature; low status groups and high status groups. The consequences of social identity enhancement efforts should be examined in the light of the position of a group vis-à-vis the other groups. The concept of threat itself is perceived differently according to the position a group holds in relation to outgroups. For high status groups, threat is perceived in experiencing denial of recognition of superiority on existing dimensions, while for low status groups, threat is equated with denial of parity on untested dimensions, where they were hoping to gain distinctiveness (Brown and Ross, 1982). The difference in threat perception, arising as a result of status differences, determines the channels group members are going to use to achieve distinctiveness.

The fundamental assumption of categorisation is that it implies psychological accentuation of differences between categories and attenuation of differences within categories (Abrams and Hogg, 1990). The implications arising from this feature are very interesting. Almost on all occasions, accentuation of differences on a salient dimension is manifested through overestimation of ingroup's performance on this dimension (Tajfel, 1973 cited in Hogg and Abrams, 1990). As a result, stereotypic

perception is widely recognised as a vital component of social identities. In fact, stereotype investigation within various contexts is mainly based on the implications arising from social identity theory (Condor, 1990). Accentuation and attenuation of differences suggest that bias could be encountered at two levels, namely intragroup and intergroup.

Within the intragroup level, bias is perceived in the form of stereotypic attitudes in relation to group attributes. Previously developed, the perception of uniformity as a sufficient factor of group formation, leads to the conclusion that people's primary goal is a feeling of common ground with other individuals. Thus, stereotypes are formed, to reinforce uniformity among group members. The stereotype mechanism is put into practice with the automatic assignment of common category characteristics to all group members (Turner, 1982). It is important to take into account that ingroup homogeneity is perceived both in terms of members' attributes and of their behaviour (Condor, 1990). Turner (1982) argued that it is through this process of stereotyping that groups enhance members' pleasure of their group membership. Therefore, the first and unanimously accepted step towards social identity enhancement is stereotypic perceptions of ingroup uniformity.

Contrary to the intragroup level, on the intergroup level, investigation of bias and stereotype development is extremely complicated. The complications arise mainly as a consequence of the relationships and power differences among the groups. The issues of ingroup favouritism and outgroup rejection have been responsible for dividing researchers, who were confronted by a vast amount of conflicting evidence within the intergroup relations domain. The emergence as well as intensity of ingroup

positive imagery and outgroup negative imagery are largely determined by the position in which the group stands in relation to others. In general terms, group identification levels have been found to affect outgroup discrimination. Findings from numerous studies agree on the positive correlation between group identification and outgroup rejection (Perreault and Bourhis, 1999; Turner, 1982). Within the domain of international marketing, evidence has been presented emphasising the positive relationship between national identification and domestic products' evaluations, indicating once again the presence of positive bias towards the ingroup (Verlegh, 2007). To draw upon the differences and enhance our understanding of stereotypes' format within the intergroup level, the responses to threat of low versus high status groups are believed to provide better insights into intergroup relations.

The investigation of ingroup favouritism has constituted a problematic and ambiguous area, due to the fact that contradictory evidence has been presented. Although it is rational to argue that in situations of threat ingroup favouritism provides a significant tool for the group to remain unified and face the threat, this has not been proved true in some cases. When it comes to low status groups, the evidence is not convergent. In particular, evidence has been presented that support outgroup favouritism from low status group members (Mullen *et al.*, 1992). Further support for the phenomenon of outgroup favouritism has been provided by Ng (1982), who indicated that when insecure conditions existed, group members turned to outgroups to enhance security.

A solid explanation for outgroup favouritism could be found in the need for self-enhancement. Taking into consideration that social behaviour could be positioned on a continuum ranging from interpersonal to intergroup orientation, it is possible for

group members of the low status group to exhibit behaviour that lies in the extreme of interpersonal orientation. This implies that the welfare of the group comes second after self-enhancement goals. The variable that determines the significance of self-enhancement as opposed to group enhancement goals is group identification. The more group identified an individual is, the less likely is that he/she would exhibit social behaviour, which is solely based on self-interest satisfaction. Even though the significance of group identification as a determinant of self versus group enhancement has been established by various studies, Lindeman (1997) illustrates that the tendency to differentiate oneself from other ingroup members exists even for those subjects who are highly identified with their groups. This finding suggests that all individuals, irrespective of their group identification levels, are seeking self-enhancement. Yet, the degree of significance each attaches to self-enhancement pursuit differs with individual types and external environmental factors.

Outgroup discrimination, the basic discipline of the social identity theory, has forced many researchers to alert analysts to examine with caution the implications of intergroup relations arising from Tajfel's analysis. The inseparable link between ingroup favouritism and outgroup derogation has been challenged by a number of studies, which have indicated that even in situations of threat, outgroup discrimination should not be taken for granted. Mullen *et al.* (1992) found that eighty-five percent of the low status group members exhibited outgroup favouritism rather than discrimination. Several authors have cautioned readers from different disciplines to restrain from myopic perceptions of inevitable outgroup negative imagery (Brewer and Kramer, 1985; Reicher, 2004). Table 2.1 summarises the main attitudinal differences between low status and high status groups when they are facing threat.

Table 2.1: Facing Threat within High and Low Status Groups

| | High Status Groups | Low Status Groups |
|--|---|--|
| <i>Identification</i> | High | High or Low |
| <i>Threat Perception</i> | Denied Recognition of Superiority on Existing Dimensions | Denied Parity on Untested Dimensions, where there was hope for Distinctiveness |
| <i>Ingroup Attitude</i> | Ingroup Favouritism | Ingroup Favouritism OR Low Group Identification |
| <i>Outgroup Attitude</i> | Likelihood of Outgroup Derogation | Likelihood of Outgroup Derogation OR Outgroup Favouritism |
| <i>Response to Threat</i> | Social Creativity to switch attention to another existing dimension, where superiority could be enhanced. | Social Creativity to Find OR Create new dimensions to enhance superiority. |
| <i>Self Enhancement Generated from Collective Action</i> | High | High for those exhibiting High Group Identification OR Low for those exhibiting Low Group Identification |

Adapted from: Brown and Ross, 1982

An important point to emphasise at this stage is that the manifestation of stereotypes is not always observable. Empirical evidence has illustrated the fact that individuals can actually hold two different opinions, one explicit, which is articulated and one implicit, which is hidden in people's minds. Due to the major implication of social identity theory, which is associated with self and group image enhancement, it is rational for individuals wishing to achieve a positive social identity to exhibit some stereotypic perceptions implicitly, when these are considered as socially undesirable. Providing evidence for this assumption, Greenwald and Krieger (2006) showed that implicit attitudes included more bias than explicit ones, indicating that the levels of bias people exhibited when asked could be different from the ones that they actually hold. This finding poses a limitation for traditional self-report measures of prejudice

and makes evident the need for indirect measures, which are considered to be more capable of capturing this phenomenon in its real magnitude (Brewer and Kramer, 1982).

2.3.2 Dimensionalisation of Consumer Ethnocentrism

To enhance the understanding of consumer ethnocentric tendencies, appreciation of the factors that reinforce this phenomenon is considered vital. Past literature has established that consumer ethnocentrism encompasses cognitive, normative and most importantly affective variables (Vida and Reardon, 2008). For example, Adorno *et al.* (1950) viewed ethnocentrism as an ideological system, shaped through sociological factors with personality mediating this relationship. Their work emphasised the impact of normative factors on ethnocentric sentiments. Additionally, supporting the important role of the social environment, it has been proved that ethnocentric sentiments are likely to be transmitted from significant adults and peers when individuals are in their formative years (Pearl, 1954). Hopkins and Powers (2003) recognised the importance of personality traits as well as social norms and roles as motivations to help. Their list provides strong support for the combined effect of the social environment and personality characteristics on purchase behaviour. An issue that necessitates further examination is the effect of sociological factors on personality traits and their importance on forming consumer behaviour trends.

Additionally, McIntyre and Meric (1994) illustrated the significance of cognitive styles in determining the levels of ethnocentric tendencies. Their findings suggest that ethnocentric scores of the intuitive-thinkers were significantly different than sensory-

feeling people, indicating a close relationship between cognitive styles and ethnocentric levels. This difference is explained by the tendency of sensory people to favour the known and resist change, contrary to intuitive persons who are attracted by the new and are always seeking novelties.

Current literature is overwhelmed by studies investigating the effect of affective variables on ethnocentrism levels. The emphasis on moral considerations has placed affective factors in the centre of explanatory research as well as intensity analysis. The next paragraphs provide a comprehensive account of the three different forms of dimensions summarised within the construct of consumer ethnocentrism.

2.3.2.1 Affective Dimensions

It is now established that emotions play a critical role when consumers evaluate and purchase products. Vida and Fairhurst (1999) focused on the emotions aroused by any purchase of foreign made products. This study emphasised the personal nature of the concept (actions dictated by inner self processes) and appreciated the significance of affective factors on the development of ethnocentric behaviour. When it comes to attitude formation and purchase behaviour, a plethora of studies have indicated affective factors as the most influential. Variables such as altruism, patriotism and nationalism have been extensively examined and proved to significantly affect ethnocentrism levels, with the effect being in many cases stronger than cognitive and normative factors. For example, when evaluating automobiles and television sets, research had shown that cognitive factors had limited effect on purchase behaviour, as

opposed to the affective factor of patriotism that proved to significantly affect purchase intentions (Han, 1988).

Drawing from social identity theory and ethnocentrism implications, two blocs were built as major components and determinants of the levels of consumer ethnocentrism.

The blocs are:

- Altruism and Self-Interest
- Patriotism and Nationalism

2.3.2.1.1 The Interplay of Self-Interest and Altruism

With no exception, literature on consumer ethnocentrism has emphasised the notion of protecting domestic employees and domestic economy from the threat of foreign competition. The essence of the construct of consumer ethnocentrism lies in people's persistent preference for domestic products against foreign alternatives as a sound manifestation of their devotion to national welfare and their concerns of embracing economic development. Acts of ethnocentrism in consumption patterns are dictated by endogenous and exogenous norms. Put differently, people are socially as well as internally motivated to take actions that promote national interests and common good in general. The summary of the underlying dimensions of consumer ethnocentrism and its defining feature of morality direct the researcher towards placing this construct within the broader context of pro-social behaviour and consider this phenomenon as one form of pro-social behaviour manifestations. Supporting evidence is provided by empirical studies, emphasising on a significant relationship between country of origin and pro-social behaviour (Hopkins and Powers, 2003; Powers and Hopkins, 2006).

The theories derived from pro-social research focus on providing useful insights into the motivation of multidimensional altruism and consequently are considered of pivotal importance for enhancing perceptivity of morality in general and altruism in particular in the consumer ethnocentrism domain.

Appreciation of the moral dimensions as motivations of pro-social behaviour has been a novelty in the 1980s. In its embryonic stage, pro-social activities have been discussed and narrowly defined by economic theory. More specifically, economists heavily emphasise the significance of narrow, material self-interest as the main motivation towards actions that enhance the public good. Later evidence that came to light during the 1980s, provided mainly by psychologists, challenged the self interest model and offered new insights into the occurrence of pro-social behaviour. Contrary to classical economics, Campbell (1987) argues that narrow self interest is not always the motive behind human intentions and actions. Psychologists emphasise the need to acknowledge a number of incentives towards pro-social behaviour. In fact, material self interest only partially explains people's attempts to enhance public welfare as there are a number of other incentives that shed more light on pro-social activities.

A plethora of studies have focused on only one aspect of morality, namely altruism, and have addressed this concept as a significant motivation towards pro-social action. Altruism could be integrated into the wider context of moral dimensions and is perceived as the '*devotion to the welfare of others, regard for others, as a principle of action*' (Oxford English Dictionary). An altruist would have as his/her main goal the welfare of others and would take action in order to enhance the common good, without expecting a return. Parallel to ethnocentrism studies and levels of this

phenomenon, altruism has also been found to vary in its motivations and manifestations. The definition presented above refers to what is called pure altruism. Several other studies however have acknowledged that impure altruism interacts with pure altruism towards efforts of public welfare enhancement.

Impure altruism is also associated with actions towards the common good but explanation for this behaviour lies mainly in the hedonic pleasure people feel from acting towards collective welfare. In this case, people are undertaking pro-social actions to produce a warm glow effect. Put differently, individuals make efforts to enhance public good because they enjoy the process of contribution and the benefits that a particular society gains from such efforts. It is therefore rational to claim that in certain circumstances pro-social behaviour stems not from pure devotion to and interest in the society but from self interest incentives, whose nature is purely internal to the individual. If the different types of altruistic orientation are put on a continuum, pure altruism and egoism would be the two extremes and impure altruism would lie in the middle of the continuum.

The foundations for the relationship between the broadly defined self-interest and altruism could be found in the basic principles of social identity theory, as presented above. The pursuit of a positive social identity partly explains pro-social activity. This motivation of social identity enhancement is what Kolm (1996) calls quasi-self-interest, to capture one's concern about his/her image in other people's views. Yet, it is important to appreciate that individuals are not only acting morally to enhance their social identities, but, in addition to that, they act morally in order to approach their ideal self images. Impure altruism appreciates the fact that morally idealised self

images could become a source of pleasure, which is as strong as aesthetics sources. It is observed that people construct certain moral self images in their minds and want to behave according to them. O'Shaughnessy and O'Shaughnessy (2003) stated that it is this 'fantasy' that generates the greatest emotional pleasure. Therefore, in contemporary research we move away from the paradigm of hedonism to a more complex system of self-illusory hedonism and self-idealism (Campbell, 1987) and a broader concept of self interest.

In relation to impure altruistic motivation, it is shown that self image concerns arising from the individual himself/herself as well as from socially imposed norms, play an important role in the development of pro-social behaviour. By accepting that self-centred idealism is a key motivation of altruistic behaviour, then additional focus should be placed on the psychological and personality attributes of individuals. Meier (2006) appreciated the importance of self-identity, by explicitly stating that individuals '*undertake certain activities – pro-social activities – in order to self-signal their good traits*' (p. 12). Summarising, theory suggests that common good enhancement is attributed to a combination of pure and impure altruistic factors.

Expanding more on this finding, Benabou and Tirole (2004) have claimed that pro-social behaviour occurs as a result of a combination of altruism, material self-interest, social image and self image. Support for the interconnectivity of self and group interests and consequently pure and impure altruism could also be found in biology studies. For example, a review of relevant studies, showed that insect colonies exhibit high degrees of altruistic cooperation in order to achieve survivability. For the insects to be able to survive against threats, it is important for the strength of each individual

insect to be employed for the good of the group. In this case, the benefit is mutual, for insects individually as well as the group (Samuelson, 1993). Empirical and theoretical data from a variety of disciplines, including biology, economics and psychology, agree on the fact that group and self interests are intertwined and that individuals make efforts to satisfy group interests as a means of promoting their own interests as well.

A vast majority of studies however, including the founders of the consumer ethnocentrism concept, Shimp and Sharma (1987), has focused on the motivations that surpass the narrow borders of self-interest and embrace the willingness to help other people without expecting something in return. Past literature on consumer ethnocentrism provides a link between pure altruism and purchase behaviour, leading to ethnocentric tendencies. Consumers prefer products originating from their own countries as a means of helping the domestic economy and encouraging higher employment rates. Empirical research shows that even when foreign alternatives are better, ethnocentric consumers still prefer domestic items and validate their opinions by upgrading the perceived attributes of their choices (Supphellen and Rittenburg, 2001). This notion of taking actions to voluntarily help another person without expectations of reward (Hopkins and Powers, 2003) has been closely related to consumer ethnocentric tendencies and the moral obligations people attach to consumption behaviour. Findings from recent studies shed more light on the relationship between altruism and domestic goods' consumption. Empirical research indicates that the higher the altruism, the higher is the likelihood of consumers preferring the domestic products (Hopkins and Powers, 2007).

In this respect, consumer ethnocentrism theory focuses on only one motivation and fails to acknowledge that for an individual to pursue altruistic behaviour, a mixture of variables is functioning as motivators. Appreciating the multidimensionality of pro-social activities motivations, adds a further attribute that needs to be investigated; due to the fact that a variety of factors encourage public good enhancement, it is interesting to understand the relationships and relative importance of each one of them and their implications on the development of pro-social behaviour. Table 2.2 provides a summary of consequences of the interplay between impure and pure altruism. For the purposes of this table, impure altruism is defined in such a way as to include both self and social identity concerns.

The nature of altruism and the underlying motivations shape one's ingroup behaviour. In particular, Ostrom (2000) have distinguished between three different typologies of ingroup behaviour. At the one end lies the rational egoist, who makes zero contribution to public welfare. This type of person is expecting from others to make their contributions to benefit. Conditional cooperators and willing punishers are interested in the common good, but motivated by impure altruism. Conditional cooperators are evaluating peoples' intentions and act according to them. For example, if they believe that one's intentions are good, they will reciprocate with fairness and interest in this person. Willing punishers are those who are embracing pro-social activities by punishing those individuals who do not contribute towards public welfare. The last two typologies offer support to Kolm's (1996) conclusion that moral ideas are possible to be implemented even in the absence of true moral motivation. This comes in line with the notion of impure altruism, which implies

action towards the collective good, but as a means of satisfying personal aspirations, either material or more abstract, such as image enhancement.

Table 2.2: Interplay of Pure and Impure Altruism

| | | Degree of Impure Altruism¹ | |
|--------------------------------|--------|--|--|
| | | Strong | Weak |
| Degree of Pure Altruism | Strong | People develop pro-social behaviour as a result of their effort to enhance their self and social images. Quasi-self-interest concerns. | People develop pro-social behaviour without expectations of return from those benefited. |
| | Weak | People focus on the pursuit of their personal interests. Pro-social action is undertaken on a conditional basis. | People's pro-social behaviour is not driven by any form of altruism. |

Source: The Author

The variations of ingroup behaviour also embrace efforts of understanding consumer ethnocentricity. The route of self enhancement through group enhancement is well established within the domain of international consumer behaviour. For example, Pearl (1954) found that ethnocentric respondents tend to see themselves as possessing qualities that they would like ideally to have. This finding reinforces the important role of illusionary self-idealism in developing ethnocentric tendencies. Further evidence for the effect of self-interest on consumer ethnocentrism is found in the

¹ Impure Altruism in this table incorporates both social and self identity concerns.

Czech Republic and Turkey (Balabanis *et al.*, 2002). Statistical analysis showed some evidence of positive correlation between self-enhancement values and ethnocentrism, emphasising the need for self interest to be integrated into the broader altruistic motivations of consumer ethnocentrism. Thus, when investigating consumer ethnocentrism it is important to broaden the conceptualisation of altruism, so that it embraces self-enhancement needs as well. From the evidence presented above, pure and impure altruism could give rise to consumer ethnocentrism and affect its levels of manifestation.

Conceptualisation of the conditional ethnocentric individual is better established through the motivational mix discussed by Benabou and Tirole (2004). The authors had stressed that the combination and relative importance of material self interest, social and self image aspirations and altruism varied across individuals and situations. Consistent with the intergroup-interpersonal continuum and in relation with the development of consumer ethnocentrism, one might be mainly driven by self-identity concerns imposed by his/her inner self but another might be driven by pure altruism. The result is the same in both cases and is observed in the development of ethnocentric tendencies. Complicating consumer ethnocentrism phenomena even further, theory suggests that the same individual is likely to be driven by different motivations in different circumstances. Contextual influence is a decisive factor in the development and level of ethnocentric tendencies, due to the fact that it is capable of changing the salience of pure and impure altruism (Meier, 2006).

A solid example of contextual effects on ethnocentrism levels is provided by Yu and Albaum (2002). The authors studied consumer ethnocentric tendencies within a

context that had recently undergone a major political reform. The results of the study extended the scope of the construct of consumer ethnocentrism and suggested a political dimension of the phenomenon. More specifically, collection of data in Hong Kong before and after a significant political development, namely the transfer of sovereignty from the United Kingdom to China (PRC), indicated a rise in consumer ethnocentrism levels after the sovereignty change. The researchers interpreted this result through enhanced sentiments of nationality. Put differently, consumers became more local after the handover of sovereignty. Looking deeper, this political development shifted consumer priorities and motivations towards the Chinese welfare.

From the above, it can be deduced that the motives behind consumer ethnocentric tendencies may determine the levels of the phenomenon. For example, if there is a strong impure altruistic motive combined with strong pure altruistic motives, then the levels of ethnocentrism are expected to be high. Conversely, when the motivation of impure altruism is strong while pure altruism has limited effect, then consumers might develop ethnocentric behaviour, but only on conditional basis. Conditional ethnocentrists pay great attention to other people's intentions and act according to them. For example, if in a given situation they believe that individuals will act towards the common good, they will imitate their behaviour in order to be socially accepted and enhance their self and social identities. Under different circumstances, one might conclude that ethnocentric behaviour hinders social and self identity enhancement and therefore, he/she would not exhibit high ethnocentrism levels. Furthermore, Fehr and Schmidt (2005) have identified another dimension of reciprocity; type-based reciprocity focuses on the type of a person and not his/her

intentions. Type-based reciprocity implies that one will be willing to consistently purchase domestic products if other people, whom he/she values positively, are found to exhibit ethnocentrism in their consumption patterns.

Additionally to reciprocity norms and intention evaluation of other people, conditional ethnocentrism could also be attributed to illusory self idealism, which is part of one's inner self and implies that consumers could behave in ways that are not always consistent but that are continuously enhancing the efforts to behave according to ideal self. Thus, it is rational to argue that other people's intentions as well as standards arising as a result of inner processes within every individual are responsible for the development of conditional ethnocentrism. Past literature failed to acknowledge this last profile of the conditional ethnocentric consumer and further evidence should be brought into light so that a more comprehensive list of the stimuli that reinforce ethnocentric behaviour in consumption could be presented. Lindquist *et al.*'s (2001) study opened new horizons by explicitly appreciating the importance of situational factors in forming ethnocentric behaviour and encouraging future research on providing insights into the impact of self aspirations on pro-social behaviour.

In particular, the profile of the conditional ethnocentric consumer sets a different dimension to the already established theory of ethnocentrism as an ideological system. Although Adorno *et al.* (1950) and later research treated ethnocentrism as a '*pervasive and rigid ingroup-outgroup distinction*' (p. 150), the validity of this definition was questioned. For an individual who is dedicated to the pursuit of his/her personal aspirations and who expects returns from public welfare enhancement actions, it is rational to support that behaviour would be shaped in accordance with these goals.

Consequently, the distinctions between ingroup-outgroup, defined in terms of national groups, could be blurred due to self interest pursuit. For example, only if a clear distinction between foreign and domestic products serves a personal purpose at a given situation, would highly self-oriented people develop this perceptual distinction to achieve their goals.

Going a step back, the question that needs to be addressed relates to the sources that produce intention and self motivation variability. The answer to this question is found in contextual variables. Ostrom (2000) has identified a number of environmental forces including among others the size of the group involved, the heterogeneity of the group, the dependence of the group on the good, the size of the total collective benefit and having the choice to participate or not. Considering these factors within the international consumer behaviour domain, it is easily deducted that the dependence of the group on purchasing domestic goods, the heterogeneity of a group – if we consider immigration trends and shifts in demographic variables across time – and the total collective benefit are factors that are unstable and are very likely to change over time and across different purchase occasions. Evidence from past literature has indicated that the context influences the rates of contribution towards public good through the purchase of domestic products. Most importantly, the relationship between contextual variables and ethnocentrism is mediated by other people's intentions and ideal self embracement efforts.

2.3.2.1.2 Patriotism and Nationalism

Along with the establishment of consumer ethnocentrism as a valid concept, the affective factor of patriotism emerged as an important motivation towards ethnocentric behaviour. In fact, there is an increasing amount of research within the international consumer behaviour literature that has been investigating the relationship between consumer ethnocentrism and patriotism (Balabanis *et al.*, 2001; Han, 1988; Lee *et al.*, 2003; Sharma *et al.*, 1995; Wall and Heslop, 1986). The foundations for the correlation between consumer ethnocentrism and patriotism could be found in Adorno *et al.*'s research (1950) and the development of the patriotism scale. This scale was later employed by Shimp and Sharma (1987) to construct the CETSCALE (Consumer Ethnocentric Tendencies Scale). Although extant literature addresses patriotism as an antecedent to consumer ethnocentrism, this research incorporates patriotism into the consumption context and focuses on patriotism as a distinct dimension of the construct under investigation.

The definition of patriotism has generated considerable controversy among researchers. Theoretical and empirical evidence emphasise the need to make clear distinctions among the different forms of patriotism. In particular, scholars should distinguish between the different forms of patriotism on two distinct bases; first, whether patriotism is necessarily linked to hostility and rejection of the outgroup and secondly, whether patriotism is inherently associated with blind allegiance to one's country (Schatz *et al.*, 1999). The latter issue led researchers to distinguish between two different types of patriotism, namely blind and constructive patriotism. Blind patriotism encapsulates feelings of rigid attachment to the country, involving unquestionable positive evaluation and intolerance of negative evaluation. Contrary to

blind patriotism, constructive patriotism is also associated with attachment to one's country, leaving room however for criticism to enhance positive change for the country (Schatz *et al.*, 1999). Schatz *et al.* (1999) argue that both constructive and blind patriotism are associated with feelings of attachment to one's country. Yet, the differentiation point lies in their attitude toward negative criticism and foreign group tolerance. To be more precise, the blind patriot perceives any form of negative criticism as an indication of disloyalty, while the constructive patriot views criticism as a useful means towards improvement. Schatz *et al.*'s (1999) empirical evidence clearly illustrated the distinctiveness of the two concepts, emphasising even more the need to be extremely cautious when investigating the concept of patriotism. Following from this distinction, assumptions could be made with respect to developing stereotypic attitude. More specifically, it could be argued – although it still has to be empirically tested – that the blind patriot is more prone to stereotypic behaviour, accepting only the positive evaluations of his/her country's policies and actions and rejecting anything that is negative. In contrast, the constructive patriot seems to be free from stereotypes and act more objectively.

Another perspective of the differentiation basis of the patriotism concept relates to whether patriotism is necessarily associated with hostility towards the outgroup. In fact, debate arose as a consequence of the distinction of genuine patriotism and pseudopatriotism (Adorno *et al.*, 1950). Patriotism is generally a healthy expression of one's love and devotion to his/her group. Yet, these feelings of love and concern do not lead to automatic rejection of outgroup values. On the other hand, pseudopatriotism is associated with religious attachment to one's cultural values coupled with lack of understanding of outgroup values. Taking into consideration the

theoretical distinctions made by Adorno *et al.* (1950), consumer ethnocentrism, as defined by Shimp and Sharma, is only related to the concept of pseudopatriotism due to consumers' tendency to prefer domestic products and reject any item that originates from a foreign country.

In some cases, patriotism has been used interchangeably with nationalism. Recent research however made a clear distinction between the two concepts. Balabanis *et al.* (2001) elaborated on the core difference between patriotism and nationalism; ingroup members' attitudes towards outgroups. Both concepts imply feelings of attachment and loyalty to one's country, but only nationalism is associated with outgroup hostility. To put it differently, while both patriotism and nationalism may include self-bias only nationalism leads to negative outgroup bias.

Doob (1964) had focused more on the distinction between patriotism and nationalism, drawing the differentiating line based on their underlying layers. More specifically, patriotism was seen as having only psychological foundations, involving subjective predispositions about the ingroup. In contrast, nationalism, although originally developed psychologically, it includes political, social and economic implications, arising from the subsequent demands made by individuals. Feelings aroused as a consequence of patriotism include love for and pride in one's country. Nationalism however involves perceptions of superiority, dominance and potential actions to preserve and expand this dominance (Doob, 1964). Nationalism is seen as a zero-sum, where the nation's benefits are considered to be balanced by losses of the foreign nations. The evidence above provides further support to Adorno *et al.*'s argument that their scale is measuring pseudopatriotism and not patriotism. Thus, it is rational to

claim that this patriotism scale corresponds better to the concept of nationalism, as described by Kosterman and Feshbach (1989), to pseudopatriotism as termed by Adorno *et al.* (1950), or even blind patriotism as presented by Schatz *et al.* (1999).

Focusing more on the concepts of patriotism and nationalism, the researcher's quest for a relationship between those two concepts revealed empirical evidence illustrating a correlation under certain conditions. Doob (1964) argued that patriotism can give rise to nationalism, when people perceive that their nation is threatened. This finding was supported by Baughn and Yaprak (1996), who found that patriotism and nationalism were significantly positively correlated. Evidence presented by Li and Brewer (2004) suggests that the basis of perceiving a given group a coherent identity determines the relationship between the two phenomena. Empirical data collected after the terrorist attacks of 11 September 2001, indicated that when Americans were primed with perceptions of 'core essence', sharing common attributes and heritage, the correlation between patriotism and intolerance towards other cultures was high (Li and Brewer, 2004). When the instrument's priming aimed at generating perceptions of 'common goal' among Americans, then the correlation between patriotism and nationalism was significantly lower. The significance of these results is twofold. The conditions under which patriotism and nationalism are correlated are revealed and the argument that patriotism could coexist with diversity is once again confirmed.

Finally, researchers should also be concerned with the relationships between the different forms of patriotism, which were identified by applying different differentiation bases. Put differently, it would be useful if scholars focus their attention on relationships between genuine patriotism and blind patriotism or

nationalism and blind patriotism. The latter relationship was already investigated and it has been shown that blind patriotism and nationalism are positively related. Taking into account that blind patriotism is associated with attempts to positively distinguish the country, meaning to view the country as superior to other countries, it can be easily deduced that the relationship with nationalism is a positive one. The empirical evidence provided by Schatz *et al.* (1999) confirms the positive correlation between the two concepts, allowing for a more precise definition of the different facets of patriotism.

Summarising, there are two levels of distinction among the different facets of patriotism. The first level is associated with the tolerance towards criticism while the second level focuses on the relationship between patriotism and hostility toward the outgroup. The common point, linking both levels and all facets of patriotism is the core of the construct, namely the emotional attachment to one's country. The distinctions however offer great insights not only into the studies of political psychology but also into the core concept of this thesis, consumer ethnocentrism. In particular, taking into consideration the theoretical distinctions made by Adorno *et al.* (1950) and Schatz *et al.* (1999), consumer ethnocentrism, as defined by Shimp and Sharma, is only related with the concept of pseudopatriotism or the concept of blind patriotism respectively, due to consumers' tendency to prefer domestic products and reject any item that originates from a foreign country.

In consumption terms, people prefer domestic products as a means of promoting their economy while rejecting foreign alternatives, based on general predispositions about foreign countries and no real assessment at the attribute level. Either through

maintaining negative stereotyped attitudes towards foreign products, or through perceptual upgrading of domestic products, the concepts of nationalism and patriotism respectively are beyond any doubt significant motivations reinforcing ethnocentric behaviour. Considering empirical evidence from the domain of political psychology, the significance of threat prevails as a major determinant of nationalistic or patriotic attitudes. For example, Lee *et al.* (2003) found that in the aftermath of the terrorist attacks, nationalism rather than patriotism, reinforced consumer ethnocentric tendencies of American consumers. The insecurity and threat that people were facing as a result of these terrorist acts increased their feelings of superiority and strengthened their attempts to preserve perceptions of superiority of the American nation.

Interestingly, the manifestation of one's love towards his/her ethnic group varies from situation to situation (Li and Brewer, 2004). It is argued that patriotism flows periodically and reaches a peak at some stage, after which it diminishes again (Kosterman and Feshbach, 1989). In simpler terms, the same person may express his/her loyalty through patriotic attitudes in certain circumstances or through nationalistic attitudes under other conditions. A real life example of varying levels of patriotism and nationalism in different situations would be the aftermath of the terrorist attacks in the US. The events that took place on September 11, 2001 have increased nationalistic sentiments, observed in Americans' enhanced unity and common purpose and employed as a measure against indirectly financing terrorist acts (Black and Dube, 2007). These findings point to the direction of nationalism or patriotism being a response to external stimuli and threat perception rather than a personality trait.

Following theoretical and empirical evidence from the domain of social identity, the concept of threat should be investigated with extreme caution due to the fact that variations in the definition and responses to threat are observed within low and high status groups. The implications of the threat disparities are equally important in the consumer ethnocentrism research. Developing countries perceive threat differently from developed countries and consequently, respond in different ways to threat compared with developed countries. The developed nations are more likely to exhibit nationalistic sentiments, due to their increased efforts to provide justification for their persistent preference of local products, observed as a consequence of self enhancement goals. In terms of the developing and transitional economies, the results are inconclusive. Empirical findings from research on social identity have indicated that there is an increased likelihood for individuals within low status groups to exhibit outgroup favouritism in their attempt to achieve personal aspirations. In contrast, where ingroup identification is high, consumers are more likely to exhibit patriotic sentiments and focus on perceived superiority within their own group.

However, variations in consumer ethnocentrism components and patriotism or nationalism in particular could also be observed within the same individual. This argument suggests that the impact of consumer ethnocentrism on attitudes toward foreign items is likely to vary from situation to situation. Although for highly ethnocentric consumers loyalty towards domestic goods remains stable over time, situational factors determine the response towards foreign products. When patriotism is the motivation towards consumer ethnocentrism, favouritism of domestic products is embraced but not through negative imagery of foreign products. As Baughn and Yaprak (1996) have shown, attachment to one's country is not necessarily expressed

through a zero-sum orientation. Conversely, when nationalism drives consumers towards ethnocentrism, favouritism of domestic offerings is justified through negativity towards foreign alternatives.

Generally speaking, both nationalism and patriotism are positively correlated with consumer ethnocentric tendencies. Balabanis *et al.* (2001) provided empirical evidence for the significant relationship of patriotism and nationalism with consumer ethnocentrism, although there were variations according to the contexts investigated. It is important to acknowledge though that in addition to the difference relating to outgroup derogation phenomena, patriotism and nationalism occur as a consequence of different motivations. It is suggested that self-orientation is mostly related to nationalistic sentiments, as consumers are putting cognitive efforts to justify the preference of domestic products by constructing a negative image of the foreign products. Conversely, altruism is closely related with patriotism and an ingroup focus. When altruism is the motivation towards ethnocentrism, consumers are more concerned about the narrower moral implications, such as unemployment. Therefore, altruistic consumers are placing their focus on their country, showing their feelings of attachment and loyalty to domestic items. When both strong altruistic and self-oriented goals exist, consumers would exhibit nationalistic attitudes, due to the fact that they are stronger and they develop as a consequence of self-centred motivations.

2.3.2.2 Cognitive Dimensions

Consumer ethnocentrism encapsulates significant cognitive aspects, which could be identified through perceptions of domestic product superiority or foreign product

inferiority. The conceptualisation provided by Shimp and Sharma (1987) indicated that ethnocentric consumers tend to perceive domestic goods as superior to foreign alternatives, while associating the latter with unsatisfactory quality. Insights into the notion of cognitive distortion could be gained through the psychology literature on stereotypic associations. Following, is a detailed explanation of stereotype development and the relationship between ethnocentrism and cognitive distortion.

2.3.2.2.1 Stereotype Development and Cognitive Distortion

The issues that need to be addressed now are associated with the relationship between positive and negative stereotypes and the conditions that these two occur concurrently. Following from social identity theory and its conclusions regarding intergroup relationships, stereotypes occur as a consequence of people's efforts to enhance group and self welfare. This last statement provides validation to the relevance of stereotypic associations to the studies of consumer ethnocentrism.

Hilton and von Hippel (1996) defined stereotypes as *'beliefs about the characteristics, attributes, and behaviours of members of certain groups. More than just beliefs about groups, they are also theories about how and why certain attributes go together'* (p. 240). Through this statement, one can realise that stereotypes are not just images of certain people or groups that people possess. Their existence serves important cognitive purposes as well. Stereotypes provide the evidence people need in order to be able to validate specific opinions or behaviours. The assumption that stereotypes are always based on false data is a misleading generalisation. Literature has indicated that stereotypes could be accurate representations of reality, even if we refer to the

reality as this is perceived by each person. The mechanism that is usually employed is selective processing (Hadjimarcou and Hu, 1999) in which stereotypic associations operate in similar ways as object schemata. The underlying assumption of selective processing is that stereotypes represent reality in an accurate way, even though some aspects are intentionally not taken into consideration. Contrary to this stereotype source and its close association with reality, the overwhelming majority of literature, acknowledges that the stereotype development process stems not from real events but rather from illusory group differences. The roots of this stereotype source could be found in social identity theory implications and the distinctiveness pursuit. In particular, the tendency of people and groups to accentuate differences between groups (Abrams and Hogg, 1990) has been the major motivation towards stereotyping.

In most cases, group differences which are based on enduring characteristics of individuals, involve some degree of fault (Hilton and Von Hippel, 1996). Ingroup homogeneity and outgroup discrimination are primarily perception based and result in positive imagery for ingroups and possible negative for outgroups. A solid illustrative example of stereotypes is included in consumer ethnocentrism literature. Perceptual associations of countries and their differences are driving forces towards ethnocentrism and lead to positive feelings or evaluations of national products and possibly negative feelings or evaluations of foreign alternatives. Although there are some studies (Nijssen *et al.*, 1999), which attribute consumer ethnocentric tendencies to other factors rather than prejudice, such as attitudes toward foreign travel and experiences with foreign cultures, the overwhelming majority of research indicates

that stereotypes and prejudice are firmly linked to ethnocentric sentiments in consumption.

In most instances stereotypes are formed through social factors and are shaped during the early stages of our lives. Their power lies in the fact that they are embedded in individuals even before they are able to develop personal beliefs. Consequently, prejudice, which is mainly reinforced by stereotypes, is likely to be high during the formative years. Low and high prejudiced people are distinguished in the later stages of their lives, when they can form their own personal beliefs. Only when people reach this stage, are they in the position to evaluate the compatibility of the learned stereotypes with their beliefs. If there is a conflict between them, then low-prejudice individuals would put great effort on suppressing or controlling the stereotypes that conflict with their beliefs, while high-prejudice people would accept these stereotypes without actually evaluating them.

In order to integrate the process of stereotypic associations into the phenomenon of consumer ethnocentrism and of particular interest to this study, are the manifestations of stereotypes. The first studies in consumer ethnocentrism indicated that the construct encompasses cognitive distortion aspects in terms of judgments of both domestic and foreign products. Within broader discipline contexts and in international consumer behaviour in particular, manifestation of stereotypes, even among high prejudiced people, differs according to the context and product categories under evaluation. A sound indication of the variations of stereotypic expressions could be found in the consequences of consumer ethnocentrism. More specifically, evidence is conflicting in relation to the effects of this phenomenon on quality perceptions. For

example, a number of studies showed a significant effect of consumer ethnocentrism on attitudes towards foreign products (Javalgi *et al.*, 2005; Kim and Pysarchik, 2000; Lantz and Loeb, 1996), whereas evidence that comes from Russia suggests that this phenomenon has no significant impact on quality perceptions (Huddleston *et al.*, 2000). In other words, this research shows that even highly ethnocentric consumers do not necessarily rate negatively the quality of foreign products. These findings suggest that high levels of ethnocentrism do not always imply quality perception differences among foreign and domestic products. Therefore, it is deduced that stereotypic associations are not communicated in the same way across national borders and product categories.

The likelihood that this favouritism towards domestic products is accompanied by negative imagery towards foreign alternatives is determined primarily by individual personality traits and social structure. Moreover, parallel to status differences, addressed within the social identity theory literature, the domain in which stereotypes find fertile ground to grow is also defined through differences in countries' stages of economic development. Shimp and Sharma (1987), emphasising the influence of threat in developing ethnocentric sentiments, provide full support for the conclusions of social identity theory. Additionally, research within the international consumer behaviour field has shown that in some cases, highly ethnocentric consumers can appreciate the superiority of foreign products but still prefer the domestic ones (Supphellen and Rittenburg, 2001). These findings also provide evidence for the notion of outgroup favouritism, developed in social identity studies. A vivid example of outgroup favouritism is found in a Nigerian study, where local consumers showed a preference for products from all the foreign countries investigated, even when there

was no real difference in technological terms between the domestic (Nigeria) and foreign (Ghana) country (Agbonifoh and Elimimian, 1999). The persistent preference for foreign products was explained by the authors in the notion of mere foreignness as the sole determinant of consumer attitudes. From all the above, it could be argued that although ingroup favouritism is rapid and automatic (Dovidio *et al.*, 1986), outgroup rejection cannot be taken for granted (Dasgupta, 2004; Perdue *et al.*, 1990).

The paradigm of self-illusory hedonism provides some useful insights into the reasons why certain people could hold negative outgroup attitudes at a given point of time and alter their behaviour under different conditions. As already developed, the interplay between pure and impure altruism is highly significant for identification of the levels of consumer ethnocentrism. The concept of the 'aversive racist' (Gaertner and Dovidio, 1986) is extremely relevant in this case. Due to the fact that the aversive racist is very concerned with his/her own egalitarian self-images, he/she avoids behaving in blatantly discriminatory ways. The problem that has been identified in racial discrimination studies is that aversive racism is a contemporary form of prejudice that is not easily recognisable. Aversive racists express their racial biases in indirect ways, so that their non-prejudiced self-images are not threatened. Due to the development of aversive racism, there are still racial disparities even though the self-reported prejudice figures have decreased (Dovidio and Gaertner, 2000).

If the major implications of the aversive racism concept are applied to consumer ethnocentrism phenomena, then useful conclusions can be made. First of all aversive racism is highly correlated with the paradigm of self-idealism and the efforts made by individuals to approach their ideal self. This theory provides stronger evidence for the

conditional ethnocentric consumer, who shows preference for domestic products as a means of satisfying his/her personal interests. Conditional ethnocentric consumers could hold negative beliefs about foreign products under specific circumstances while positively evaluating them under different conditions. This category of consumers complicates the relationship between ethnocentrism and heterostereotypes even further, due to the inability to observe specific belief patterns. Furthermore, the disguised forms of biases suggest that even though prejudice is not explicitly stated verbally or actively, prejudice may trigger some of consumer intentions or purchase behaviour. The automaticity of biased judgments and their implicit nature have been a major research area within psychology and could provide useful insights into the development of ethnocentric sentiments.

Summarising, psychology literature suggests that categorisation is a natural process for human beings and, therefore, stereotypes are embedded in each one of us. In fact, this finding dates back to 1954 when Allport argued that humans inevitably categorise items and people. Further evidence was later presented by Devine (1989), who argued that cultural stereotypes are entrenched in people in their early years, before they can actually evaluate the appropriateness of these stereotypes. Biased perceptions are characteristic of the human nature and even well-intentioned individuals, who are opposed to racist behaviour, may hold some biased associations. The explanation for such phenomenon lies in the function of stereotypic information; some stereotypes are *automatically* employed. As soon as a person faces a particular message or product, he/she automatically assigns it within a particular group.

2.3.2.2.2 Perceptions of Threat

With the introduction of consumer ethnocentrism in the marketing literature, Shimp and Sharma (1987) also acknowledged the influence of threat on shaping ethnocentric attitudes. The concept has been associated with threats to the domestic economy and job losses as results of the increasing volume of imported products (Shimp and Sharma, 1987). Later research by Sharma *et al.* (1995) indicates that economic threat plays a moderating role in the relationship between consumer ethnocentrism and product beliefs, while Olsen *et al.* (1993) and Shankarmahesh (2006) argue that economic threat, termed differently as salience, is an antecedent of consumer ethnocentrism. This research views perceived threat as a dimension of consumer ethnocentrism by directly applying the major underpinnings of threat on consumption.

Drawing from the literature on intergroup relations, it is established that the outgroup is perceived as a threat by ingroup members. Outgroups are perceived as power seekers, which try to undermine the superiority of the ingroup. Parallel to the studies in the psychological domain, the basic notions of the intergroup relations could be inherited to the domain of international consumer behaviour so that threat perceptions are better addressed. Transferring the major underpinnings of intergroup relations to the study of consumer ethnocentrism implies that the outgroup is the foreign nation trading its products in international markets. Consumers within a certain nation associate foreign products with threats to the domestic economy and to the domestic workers. In particular, when consumers feel that the domestic economy is threatened, they develop ethnocentric tendencies as a response to the threat arising from increased importation of goods.

The impact of threat is attested in numerous studies (Festervand and Sokoya, 1994; Lee *et al.*, 2003; Olsen *et al.*, 1993; Sharma *et al.*, 1995; Witkowski, 1998). For example, Lee *et al.* (2003) have found that in the aftermath of the terrorist attacks, consumers were turning their attention to domestic goods due to the insecurity and threat they were facing. Festervand and Sokoya (1994) argue that when imported goods are a threat to domestic manufacturing, consumers support the introduction of import limits. The inseparable link between consumer ethnocentrism and threat perceptions has been cross-validated in various cultural contexts.

Relevant studies illustrate that the notion of threat becomes more relevant in a developing country setting, where nations are trying to move to more advanced economic stages. For example, evidence from Nigeria (Festervand and Sokoya, 1994) or Mexico (Witkowski, 1998), indicates that threat plays an important role on the development of ethnocentric tendencies. This does not imply however, that threat does not have an impact on consumers' attitudes in a developed country context. This relationship is also established in developed countries, such as USA (Shimp and Sharma, 1987) or Korea (Sharma *et al.*, 1995).

Consistent with the conceptualisation of consumer ethnocentrism, threat perceptions should be perceived as inelastic to the characteristics of the domestic country. Drawing from the major consumer ethnocentrism principles and consistent with the theory on stereotype development, consumers within a certain country perceive their products as superior under all circumstances. Yet, evidence suggests that power relations and consequently, economic development of a given country could have a significant impact on the way in which threat is perceived (Mullen *et al.*, 1992; Ng,

1982). Table 2.1 summarises the differences in threat perceptions within low and high status groups. As a result of perceptual differences, the attitudes to foreign products could vary significantly. Thus, researchers should be cautious when investigating threat in the context of international consumer behaviour. Although past conceptualisation addresses threat as inelastic to economic development differences, the multidimensional literature review performed suggests that this is not always true.

2.3.2.3 Normative Dimensions

Aspirations of social and self identity enhancement provide sound justification for the significance of the normative consumer ethnocentrism motivation of conformity to the social norms. Vida and Reardon (2008) argued that ‘*a normative dimension prevails as the consumer ethnocentrism construct entails prescriptive course of actions, i.e. what consumers should do with respect to their consumption practices in order to prevent adverse effects on domestic employment and the economic welfare of their country*’ (p. 36). Empirical studies emphasise the importance of social norms and roles as motivations to help (Hopkins and Powers, 2003). In their attempt to approach their ideal self, people strive for conformity to the established social norms. Normative dimensions and the underlying aspect of conformity to social norms are better explained through the elements of affective dimensions.

2.3.2.3.1 Conformity to Social Norms

Going back to the roots of consumer ethnocentrism and the underpinnings of ethnocentrism, evidence was provided for the relationship between the development

of ethnocentric sentiments and societal factors (Adorno *et al.*, 1950; Thomas, 1974). In complete agreement with the above evidence, Pearl (1954) suggested that ethnocentric feelings are transmitted from significant adults and peers, putting at the centre of scholarly attention the role of societal influence.

Following from these studies within the ethnocentrism domain, the impact of the social environment becomes evident in the consumer ethnocentrism domain as well. The justification for the significance of social factors is found in morality, which constitutes the defining feature of consumer ethnocentrism. Interestingly, although past conceptualisation implies significant normative dimensions, relevant literature fails to provide significant theoretical and empirical evidence for the role of normative elements within the concept of consumer ethnocentrism.

In particular, the interplay of pure and impure altruism in the development of ethnocentric attitudes, suggested by interdisciplinary literature review, provides support for the incorporation of social environment and its institutions within consumer ethnocentrism studies. Benabou and Tirole (2004) have claimed that pro-social behaviour is a result of multiple motivations, including social image and self image enhancement. Within the context of consumption patterns, ethnocentrism manifestations are dictated by endogenous and exogenous norms. As already seen, people are not only internally but also socially motivated to act towards embracing national interests and common good in general. By being consistent with the expectations of the institutions within a given social context, consumers become valuable members of the national group and achieve their self identity aspirations (Caddick, 1982; De Cremer, 2001; Tropp and Brown, 2004).

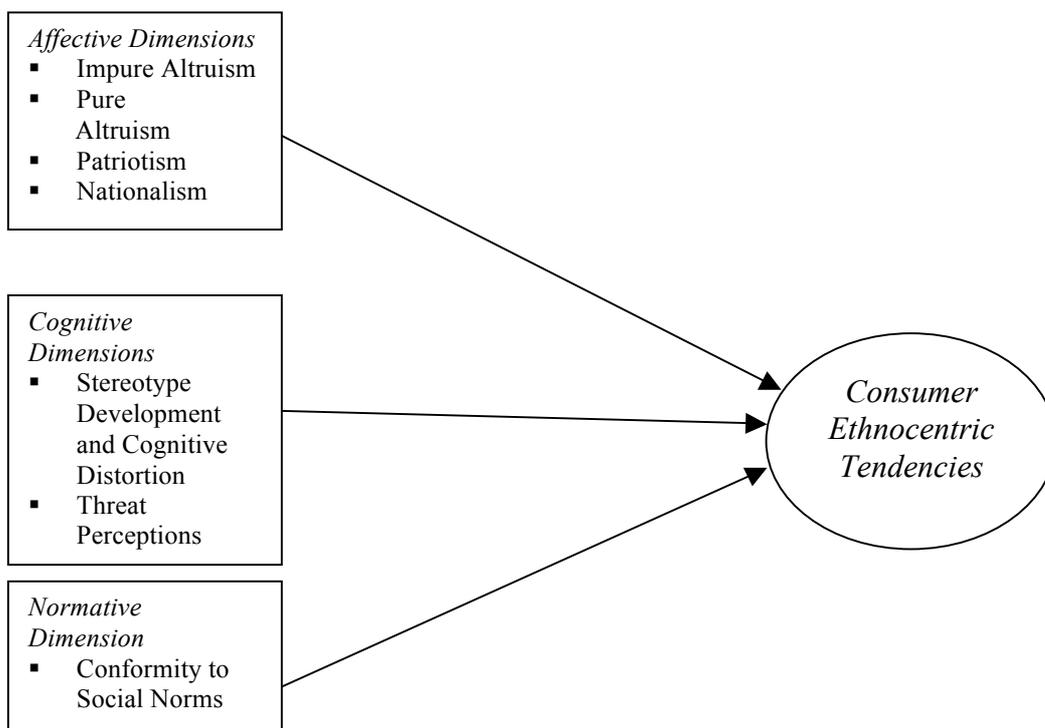
In order to understand the mechanisms of conformity, scholars should pay more attention to the opportunism that underlies the construct of consumer ethnocentrism. In particular, status positions and self interest impact on the formation of consumer attitudes and ethnocentrism levels. This finding suggests that conformity should be perceived as conditional rather than unconditional, as conceptualised by past studies. Individual consumers could opt for conformity at certain times, in which they feel that their self interests are satisfied but could show unwillingness to conform at other situations, in which they feel that compliance has nothing to offer. The conditional nature of conformity follows prior research within the political psychology domain, which illustrates that patriotism levels fluctuate throughout one's life (Kosterman and Feshbach, 1989). Additional support could also be found from psychological evidence, which indicated that manifestation of one's love towards his/her ethnic group varies from situation to situation (Li and Brewer, 2004).

Following the enhanced conceptualisation of consumer ethnocentrism, implemented through multidisciplinary literature review, the attention is now focused on the antecedents and consequences of the phenomenon. Consistent with prior work conducted in the field of consumer ethnocentrism, a comprehensive nomological network is presented. The following paragraphs provide a comprehensive account of the antecedents and consequences of the phenomenon, which will later be considered for formulating hypotheses and establishing nomological validity of the new scale. Figure 2.2 summarises the main dimensions brought to light by meticulous literature review from different domains.

2.3.3 Antecedent Analysis

Antecedents of consumer ethnocentrism have dominated empirical research, with researchers trying to gain a better understanding of the concept across various markets and practitioners being eager to effectively segment consumers and predict performance of their products in international markets. Cross-cultural analysis of the investigated antecedents reveals that there are variations in terms of the direction as well as intensity of the antecedent factors on consumer ethnocentrism levels. These variations could be attributed both to external environmental variables intervening in the relationship as well as methodological variations in approaching the problem of variables affecting ethnocentric tendencies.

Figure 2.2: Dimensions of Consumer Ethnocentrism



Source: The Author

Sharma *et al.* (1995) provided the basis for the antecedents' model, which was then widely used by other researchers. In fact, although there was some limited research on antecedents of consumer ethnocentrism prior to the conceptual framework by Sharma *et al.*, this study set the foundations for a more consistent examination of the factors that give rise to this phenomenon. The authors summarised the main antecedent variables into two broad categories, namely social-psychological and demographic variables. By examining the impact of these factors among nations from different cultural backgrounds, analysts enhanced their ability to understand the underlying issues that govern the relationships between factors of ethnocentrism and ethnocentrism itself. Past literature has addressed the impact of social-psychological and demographic factors in countries such as Turkey (Balabanis *et al.*, 2001; Kaynak and Kara, 2002; Kucukemiroglu, 1999), Korea (Ang *et al.*, 2004; Suh and Kwon, 2002), India (Bawa, 2004), Czech Republic (Balabanis *et al.*, 2001, Vida and Fairhurst, 1999), Poland (Good and Huddleston, 1995; Huddleston *et al.*, 2001; Supphellen and Rittenburg, 2001; Vida and Fairhurst, 1999), Russia (Good and Huddleston, 1995), Hungary (Vida and Fairhurst, 1999; Witkowski, 1998), UK (Balabanis and Diamantopoulos, 2004), The Netherlands (Nijssen *et al.*, 1999), USA (Klein and Ettenson, 1999; Suh and Kwon, 2002), Colombia (Ueltschy, 1998), France (Javalgi *et al.*, 2005), Nigeria (Festervand and Sokoya, 1994), Singapore (Ang *et al.*, 2004; O'Cass and Lim, 2002; Piron, 2002) and most recently Slovenia (Vida and Reardon, 2008). It is evident from this list that antecedents were investigated in developed as well as developing countries, in order to be able to understand the nature of the differences imposed by environmental factors.

The first antecedent framework presented by Sharma *et al.* (1995) motivated researchers to investigate more sources of the phenomenon, resulting in a vast amount of research that has been dedicated to understanding the factors that give rise to consumer ethnocentrism. As a result of this outburst of antecedent evidence, various other factors were tested and found to significantly affect the levels of ethnocentrism. A summary of the main antecedent studies resulted in the development of two additional broad categories - five in total - that summarise the main antecedents empirically tested in previous studies. The importance of culture as a determinant of ethnocentric levels, manifested in multiple studies, as well as its multidimensional nature necessitated the development of a category that consisted solely of cultural variables. Economic variables and the importance of the economic development level for each country have been addressed in empirical studies and, therefore, their addition within the framework was considered vital. To summarise, categories identified include socio-psychological, cultural, economic and demographic variables.

Figure 2.3 is based on an integrated framework presented by Shankarmahesh (2006) and tries to summarise the most significant antecedents and consequences of the consumer ethnocentrism phenomenon by providing an analytical conceptual framework. The framework by Shankarmahesh was extended to include more relevant variables obtained from literature review. In particular, as already developed, cultural variables were distinguished from socio-psychological variables in order to capture the multidimensionality of the concept and expand on the various factors associated with cultural backgrounds. Additionally, the cultural openness subcategory has been divided into several other smaller subcategories, according to manifestations of openness examined in previous studies. Political antecedents were excluded from the

new framework, due to the limited attention that this category received in past literature. The extended literature review pointed that political factors are of limited relevance to the consumer ethnocentrism research, a fact that was clearly illustrated by the very narrow range of studies that have addressed such factors. Moreover, it is rational to argue that political variables have an impact on economic, cultural and socio-psychological variables and consequently, are incorporated into the framework without constituting a distinct category. Mediators and moderators have been enriched with new variables that were addressed in relevant literature. This new conceptual framework, being more extensive and comprehensive, would allow the enhancement of the multifaceted nature of the concept of consumer ethnocentrism and enable the researcher to integrate the antecedents more effectively into the different components of the construct of consumer ethnocentrism. In the following paragraphs all the variables and relationships with consumer ethnocentrism will be extensively explored.

2.3.3.1 Socio-Psychological Variables

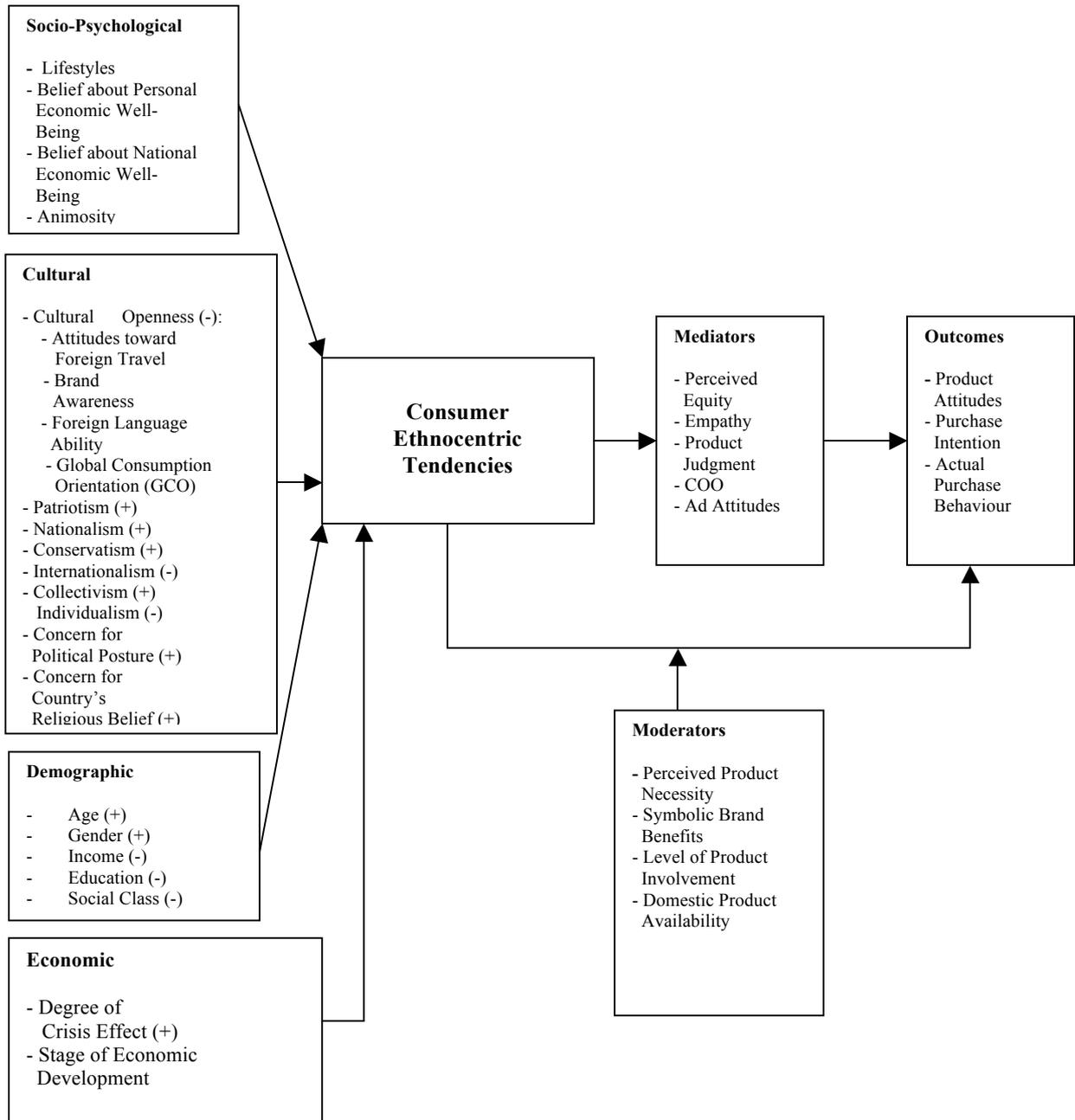
Lifestyles: Lifestyles have been addressed in past literature as an important factor that determines consumer ethnocentrism levels. Kaynak and Kara (2001) stated that *'lifestyles relate to how people live, how they spend their money, and how they allocate their time among different types of activities'* (p. 457-458). Being heavily criticised for their lack of richness, demographics were associated with yielding superficial data (Wells, 1975). To provide a more holistic view of consumer preferences and decision making, lifestyles have been incorporated in the ethnocentrism literature. Lifestyles were praised by a number of analysts for their ability to facilitate more meaningful associations in relation to consumer

ethnocentrism studies (Sheth *et al.*, 1999). In marketing terms, lifestyles encompass ideas that are distinct from personality, due to the fact that they perceive individuals as consumers only and all ideas are related solely to this role (Kucukemiroglu *et al.*, 2005). An increasing number of investigators have concentrated their efforts on the analysis of the lifestyles within a given cultural environment, in order to gain insights into the characteristics of the population that are highly related to ethnocentric tendencies.

In consumer behaviour research, lifestyles have been broadly used as a segmentation basis. Scales that have been developed to identify consumer segments based on lifestyle patterns include the VALS (Values and Lifestyles), developed by SRI International Inc, and the AIO (Activities, Interests and Opinions), developed by Wells and Tigert in 1971 (cited in Wells, 1975). This last scale has been employed by researchers to assist in the identification of the antecedents of consumer ethnocentric tendencies (Kaynak and Kara, 2001; Kaynak and Kara, 2002; Kucukemiroglu, 1999). The findings of these studies support a relationship between lifestyle patterns and ethnocentrism. Researchers proceeded in the segmentation of the sample and created clusters of consumers, which were then linked to ethnocentric tendencies levels. For example, in the Turkish study by Kaynak and Kara (2002), leadership style was negatively correlated with consumer ethnocentrism, while the community oriented factor produced a positive relationship. Other studies indicated a negative link between fashion consciousness and ethnocentrism (Kucukemiroglu, 1999; Kucukemiroglu *et al.*, 2005). The correlation of lifestyles with consumer ethnocentrism could only be determined once the clusters are formed. Therefore, it is

the most socially embedded antecedent and no relationship can be generalised from previous studies.

Figure 2.3: Conceptual Framework of Consumer Ethnocentrism



Source: Adapted from Shankarmahesh (2006)

Beliefs about Personal and National Well-Being: Although these variables incorporate economic assumptions, their nature corresponds mainly to the psychological state of the individual. Beliefs are closely linked to the literature on the economic crisis. If people feel that they are threatened by imports, then they will develop defensive techniques for the protection of the domestic economy. Consumer ethnocentrism represents one form of such techniques. With previous studies illustrating a positive link between perceived threat by imports and consumer ethnocentrism (Festervand and Sokoya, 1994; Sharma *et al.*, 1995), it is expected that when consumers believe that personal or national economic status is better off than in the previous year and as a result, a feeling of security is enhanced, ethnocentric tendencies will be reduced. Further evidence is provided by Klein and Ettenson (1999), who showed that ethnocentric consumers are more concerned about personal and national economic position. In general, these findings emphasise the need to acknowledge the significance of psychographics within the consumer ethnocentrism literature.

Animosity: Feelings of animosity have been widely accepted as determinants of international consumer behaviour and a range of studies have incorporated this construct within the consumer ethnocentrism domain. Klein *et al.* (1999) defined animosity as ‘*the remnants of antipathy related to previous or ongoing military, political, or economic events*’ (p. 6). Their study confirmed the construct discrimination between consumer ethnocentrism and animosity, it triggered however research relating to the exact relationship of these two phenomena. Nijssen and Douglas (2004) provided the empirical context and evidence that was required to link the ethnocentrism with feelings of animosity. Their findings suggest that feelings of

antipathy reinforce ethnocentric tendencies, rationalising the argument of animosity being an antecedent of consumer ethnocentrism (Shankarmahesh, 2006).

2.3.3.2 Cultural Variables

Cultural Openness: The profound effect of culture on the levels of consumer ethnocentrism have been manifested in various studies and has been explicitly stated in Bawa's (2004) definition of the phenomenon as a '*culturally-biased judgment*'. By accepting culture as a major source of ethnocentric sentiments, researchers' interest has shifted towards the examination of the cultural environment and the forces that exist in it. In terms of antecedents, an overwhelming number of analysts have investigated the impact of cultural openness on ethnocentric tendencies levels (Javalgi *et al.*, 2005; Nijssen *et al.*, 1999; Sharma *et al.*, 1995; Suh and Kwon, 2002; Ueltschy, 1998; Vida and Fairhurst, 1999; Witkowski, 1998). The general principle expected is that as cultural openness becomes greater, ethnocentricity levels decrease. This relationship has been verified by the vast majority of studies, with only the exception of France (Javalgi *et al.*, 2005), where cultural openness appeared to be independent from ethnocentric tendencies. The French example illustrates the non significance of culture, which is grounded in French people's substantial experience with foreign cultures. As Suh and Kwon (2002) noticed, the influence of cultural openness is evident within some cultural environments but not others.

Although some researchers investigated the impact of cultural openness as a broad influence on consumer ethnocentric tendencies, others have identified specific types of cultural openness expressions. Examples of specific manifestations of cultural

openness could be found in Nijssen *et al.* (1999), Nijssen and Douglas (2004) and Witkowski (1998), who focused on the consumer attitudes toward foreign travel as an indicator of the cultural openness level. Witkowski's indicators of cultural openness also included individuals' foreign language ability. Vida and Fairhurst (1999) have employed the brand awareness levels as expressions of cultural openness. Finally, Ueltschy (1998) used foreign travel frequency as a cultural openness indicator and investigating the links with education and income levels reached to the conclusion that consumers with higher education and income travel abroad more often and, therefore, are more open to foreign cultures, thus exhibiting lower levels of ethnocentrism.

The concept of global consumption orientation (GCO) constitutes a novelty in the literature on globalisation and consumer attitudes. Developed by Alden *et al.* (2006) on the basis of acculturation studies, GCO sheds more light on the impact of cultural openness on consumer ethnocentrism levels. GCO is defined as '*the set of attitudinal responses to the global diffusion on consumption choices*' (p. 238) and includes four possible consumer orientations, namely assimilation, separation, hybridisation, and marginalisation. Based on earlier literature on the consumption patterns as indicators of cultural openness and with the relationship between GCO and foreign travel established through statistical analysis, this newly developed construct is incorporated into the wider variable of cultural openness. Operationalisation of the concept of GCO allowed the establishment of a significant correlation between the type of GCO and consumer ethnocentrism. As expected, the GCO was inversely related to consumer ethnocentric tendencies, illustrating that the more positive GCO attitudes or the more

globally-oriented an individual is, the less ethnocentric sentiments will he/she possesses.

Patriotism, Nationalism and Internationalism: Patriotism and nationalism have received a lot of attention within the general ethnocentrism literature. Their profound effect on determining the levels of ethnocentrism is now well established through numerous sources. A review of those sources provides the rationale for associating patriotism and nationalism with consumer ethnocentrism studies. However, relevant literature is divided as a consequence of heavy criticism against the association of patriotism with consumer ethnocentrism. The influence of patriotism, nationalism and internationalism has been extensively investigated in the context of a study in Czech Republic and Turkey (Balabanis *et al.*, 2001). The results of this study are inconclusive in relation to the significance of each factor individually on consumer ethnocentric tendencies levels. Patriotism has attracted increased attention among researchers (Han, 1988; Javalgi *et al.*, 2005; Klein and Ettenson, 1999; Sharma *et al.*, 1995; Vida and Reardon, 2008), who anticipated that an increase in patriotism levels will cause an increase in ethnocentric sentiments. This relationship was established through the vast majority of empirical studies and the only exception is encountered in Balabanis *et al.*'s (2001) research, in which patriotism was significant in only one of the two contexts researched. Closely related to patriotism (Adorno *et al.*, 1950; Baughn and Yaprak, 1996), nationalism has been examined as a distinct factor, providing a motivation towards ethnocentrism in consumption. Balabanis *et al.* (2001) have illustrated that there are varying levels of significance of nationalism within different contexts. More specifically, the construct was found to significantly explain consumer ethnocentric tendencies in the Czech Republic but not in Turkey.

Internationalism on the other hand, was expected to elicit a negative relationship with consumer ethnocentric tendencies. The justification for this expectation lies in the close relation between internationalism and empathy for people of other countries (Kosterman and Feshbach, 1989); the more concerned consumers are for the welfare on an international basis, the less ethnocentric they will be. However, the results of Balabanis *et al.*'s study (2001) were not supportive of this argument and indicated a non significant relationship across the two countries. The hypothesised relationship was supported however in a later study by Balabanis *et al.* (2002), which showed a positive relation between universalism, a concept equivalent in meaning to internationalism, and consumer ethnocentrism. Finally, a recent study by Vida and Reardon (2008) confirmed the hypothesised negative relationship between consumer ethnocentricity and cosmopolitanism.

Conservatism: The relationship between conservatism and consumer ethnocentrism was put forward by Shimp and Sharma (1987). Since then, conservatism was poorly addressed in consumer ethnocentrism studies. Sharma *et al.* (1995) defined conservatism as the '*tendency to cherish traditions and social institutions that have survived the test of time and to introduce changes only occasionally, reluctantly, and gradually*' (p. 28). Generally, as conservatism levels rise, ethnocentricity increase. Results from a number of other empirical research studies validated the anticipated positive correlation (Balabanis *et al.*, 2002; Sharma *et al.*, 1995; Javalgi *et al.*, 2005). Similar to criticisms against the correlation between patriotism and ethnocentrism, the antecedent role of conservatism was also questioned by some researchers, due to a tendency of some analysts to fallaciously associate it with inevitable prejudice against foreign products.

Collectivism/Individualism: Usunier and Lee (2005) hold that this dimension refers to ‘*concepts of the self and others (as assumptions located within persons) as well as to model of interaction between people*’ (p. 56). The empirical work by Hofstede (1980 cited in Hofstede, 1983) among IBM employees has provided the foundations for the research on the cultural dimensions. His work had become an inspiration for other researchers, who have drawn on the four dimensions originally developed by Hofstede and identified more extensive frameworks (Schwartz, 1994; Schwartz, 1997; Triandis, 1994). By linking collectivism/individualism with ethnocentric tendencies in consumption, it is expected that collectivist consumers are more likely to exhibit ethnocentric sentiments, because they tend to associate their actions and outcomes with the societal good. On the contrary, individualistic persons are less concerned for the benefit of the society and therefore, are more likely to show reduced levels of ethnocentric tendencies. Empirical evidence testing these relationships was convergent, validating the positive correlation of collectivism and the negative correlation of individualism with consumer ethnocentrism (Javalgi *et al.*, 2005; Sharma *et al.*, 1995)

Concern for Political Posture and for Country’s Religious Beliefs: In their attempt to develop a new consumer ethnocentrism scale, Festervand and Sokoya (1994) addressed the cultural factors of concern for political position and religious beliefs of foreign countries as important ethnocentrism drivers. The higher the concern for these two cultural variables was the more ethnocentric tendencies consumers would exhibit. The supporting evidence for the significance of these factors could be found in empirical results showing consumers’ preferences of products originating from culturally similar countries (Watson and Wright, 2000). The results of the Nigerian

study by Festervand and Sokoya provides unsatisfactory support for this statement, while the French research by Javalgi *et al.* (2005) confirms only the positive link of concern for political posture with ethnocentrism, but not the link between concern for religious beliefs and ethnocentrism.

2.3.3.3 Economic Variables

Degree of Crisis Effect: Degree of crisis effect has been mostly associated with transitional economies, such as the central and eastern European countries. As Witkowski (1998) noted, ethnocentric tendencies are nourished as a result of internal factors, including economic recession, high unemployment, and rapid technological and organisational change. Therefore, as the effect of a crisis becomes more profound, ethnocentric tendencies become greater. Festervand and Sokoya (1994) indicated that within a developing country setting, such as the Nigerian, people support the introduction of import limits in the case where goods are a threat to domestic manufacturing. Research in Canada and Russia (Saffu and Walker, 2005) illustrated higher levels of ethnocentrism among Russians than Canadians. This finding could be attributed to the transitional stage of the Russian economy and the past experiences of the communist regime, which encouraged a more ‘closed’ economy. A detailed study on the crisis effect and its relationship with ethnocentricity was offered by Ang *et al.* (2004), who investigated consumer attitudes within five Asian countries, namely Indonesia, Korea, Thailand, Singapore and Malaysia toward Japan and the USA. The conclusion that they reached is that, when an economic crisis exists, people become more patriotic and ethnocentricity levels rise. Moreover, the varying degrees of economic crisis that these countries experience from their interaction with either

Japan or the US were linked to varying ethnocentrism levels. For example, the least hurt country, Singapore, scored the lowest levels of ethnocentrism. This finding confirms the expected link between economic crisis and consumer ethnocentrism.

Stage of Economic Development: As already developed, the stage of the economy significantly affects the levels of ethnocentrism observed in consumption patterns. Empirical findings from the past suggest that consumers' willingness to buy foreign products is partially explained by the economic, political and cultural environment of the countries of origin (Wang and Lamb, 1983). Adding to this knowledge, a plethora of empirical studies has suggested that consumers, especially in developing contexts, tend to show preference for products from developed countries. Leonidou *et al.* (1999) has found that Bulgarian consumers rated products originating from developed countries more favourably than those from developing countries. Bangladeshi consumers were also found to rate their own products least favourably and overwhelmingly prefer western produced goods (Kaynak *et al.*, 2000). Furthermore, Zhou and Hui (2003) argue that as development progresses, consumers become more willing to purchase domestic products, due to increased confidence in the products' quality, indicating a reinforcement of nationalistic sentiments. This study provides support to the results obtained by Good and Huddleston (1995) in Poland illustrating that buying domestic goods becomes more important as the economy moves to intermediary stages of transition. These findings oppose empirical data that showed increased foreign products' purchases as a result of increased levels of economic development (Supphelen and Gronhaug, 2003).

2.3.3.4 Demographic Variables

Age: The argument for a positive correlation between consumer ethnocentrism and age is based on the increased levels of conservatism among the older consumers as well as the homogenisation drivers that younger generations experience. Providing support for this argument, Tragos (1998) suggests that younger generations are adapting to the new environment, while older people are keen on maintaining their established consumption patterns. Past literature has widely addressed this issue and apart from very few exceptions (Han, 1988; Schooler, 1971) the direction of the relationship is well established. The expected association of age with consumer ethnocentric tendencies was confirmed in many countries, such as Bulgaria (Leonidou *et al.*, 1999), France (Javalgi *et al.*, 2005), Mexico (Witkowski, 1998), New Zealand (Watson and Wright, 2000), Turkey (Balabanis *et al.*, 2001) and Greece (Chryssochoidis *et al.*, 2007). Although analysts argue that age offers the most consistent results, research findings have not always been strongly supportive of the expected correlation. For example, in the Czech Republic age produced a significant positive relationship with ethnocentrism (Orth and Firbasova, 2003; Vida and Fairhurst, 1995), as well as non-significant results (Balabanis *et al.*, 2001). In India, empirical results indicate that school children harbour more ethnocentric attitudes than graduate and post graduate students, suggesting a negative correlation between age and consumer ethnocentrism (Upadhyay and Singh, 2006). Singapore has also generated some conflicting data, with O’Cass and Lim (2002) arguing that there is no variations observed in consumer ethnocentrism levels across ages and Piron (2002) suggesting that younger consumers tend to outshop more, a fact that signifies lower ethnocentric sentiments.

Gender: In terms of gender, the vast majority of empirical data concluded that women tend to be more ethnocentric than men. This relationship found support in previous studies showing women being more concerned about social harmony (Triandis *et al.*, 1985) or their patriotic sentiments (Han, 1988). Contexts that have supported this argument include Korea (Sharma *et al.*, 1995), USA (Klein and Ettenson, 1999), France (Javalgi *et al.*, 2005), Hungary, Estonia, Czech Republic (Vida and Fairhurst, 1999), New Zealand (Watson and Wright, 2000) and Turkey (Kaynak and Kara, 2002). Comparing empirical findings, reveals a significant number of inconsistencies, such as is the case of Russia. Within this context Good and Huddleston (1995) found a positive but non-significant link between women and ethnocentric tendencies, while Saffu and Walker's (2005) results suggest that there is no positive correlation of females with ethnocentrism. Additionally, there are some studies that have challenged this relationship. An example of such studies could be found in the research by McIntyre and Meric (1994) in the USA, who concluded that gender had no effect on ethnocentrism levels.

Income: Researchers argue that income is one of the two demographic factors, along with gender, that has produced the largest volume of inconsistent results. The majority of empirical studies agree on the negative correlation between income and ethnocentric tendencies, i.e. as income increases, people tend to be more objective in their evaluations and preferences. This negative correlation was validated in studies in Korea (Sharma *et al.*, 1995), USA (Klein and Ettenson, 1999), New Zealand (Watson and Wright, 2000), Turkey (Kaynak and Kara, 2002; Kucukemiroglu, 1999), Colombia (Ueltschy, 1998), Poland (Good and Huddleston, 1995; Supphellen and Rittenburg, 2001) and Canada (Wall and Heslop, 1986). Some non-significant results

were also reported, such as in France (Javalgi *et al.*, 2005) and Hungary and Mexico (Witkowski, 1998). Interestingly, a positive relationship was found in the USA, indicating that as income increases, ethnocentrism levels rise as well (Hopkins and Powers, 2003). A possible explanation for such finding could be that some domestic products within a developed country, such as the US, are more expensive than imported alternatives and are only affordable by high income earners.

Education: The comparative analysis of existing literature on the education variable as antecedent of consumer ethnocentric tendencies, also reveals some inconsistent findings. In most cases, the relationship is as expected negative, illustrating the fact that as educational level increases, ethnocentricity decreases. The logic behind this argument is that as individuals move to more advanced educational levels, they become more acquainted with foreign cultures and therefore, more receptive towards foreign products. Contexts that offered support for this relationship include Singapore (Piron, 2002), Korea (Sharma *et al.*, 1995), New Zealand (Watson and Wright, 2000), Turkey (Kaynak and Kara, 2002; Kucukemiroglu, 1999), the US (Klein and Ettenson, 1999), Poland (Good and Huddleston, 1995; Vida and Fairhurst, 1999), Mexico (Witkowski, 1998), Colombia (Ueltschy, 1998) and Greece (Chrysochoidis *et al.*, 2007). Findings illustrated non significant relationship in India (Bawa, 2004) and France (Javalgi *et al.*, 2005). Non significant results were observed in Witkowski's study (1998) in Hungary and Saffu and Walker's (2005) research in Russia and Canada. A positive relationship was found in an American study by Hopkins and Powers (2007), where higher educational levels were correlated with higher ethnocentrism scores.

Social Class: The rationale for the correlation of social class with consumer ethnocentrism is provided through the relationship of income with social class groups. Considering this last link, it is rational to argue that as people move to higher social classes, ethnocentric levels tend to decrease. Empirical support for the negative relationship between social class and consumer ethnocentrism is provided by Shimp and Sharma (1987) and by Han (1988) within the American context. Klein and Ettenson (1999) also illustrated that ethnocentric consumers in the US tend to be of a lower socioeconomic status.

2.3.4 Reasons for Antecedent Literature Inconsistencies

The above evidence, suggests that extant literature includes a high amount of controversy in relation to antecedents of consumer ethnocentrism. These inconsistencies can be attributed to a number of research design issues. The most obvious is sample recruitment. A plethora of studies included samples consisting solely of students. For example, in a study conducted in Singapore among young consumers, the levels of ethnocentrism were very low compared to other countries including USA, Australia and Russia. These scores however should be interpreted with caution, since they were obtained from younger people, whose main attribute is openness to new ideas and cultures (O’Cass and Lim, 2002). Although homogeneity of sample (Douglas and Craig, 1983) is enhanced in this way, there are significant limitations associated with this sampling choice. Analysts have been very critical of the student samples, since they are considered to be a non-representative portion of the population, involving only a narrow range of ages. If this fact is taken into consideration, along with reduced external validity that a student sample offers, then it

is deducted that there could be significant differences between the results obtained from student sample only and those gained from a more diverse population sample.

Another possible explanation for the observed inconsistencies could be assigned to the product categories examined. As already stated, consumer ethnocentrism is significantly dependant upon the products under investigation. Different product categories, originating from the same country, can produce different levels of consumer ethnocentrism. Therefore, as product category functions as a moderating factor between the antecedents and ethnocentric tendencies, different results could be elicited, causing controversy among studies investigating the same antecedents.

A final explanation for the differences in the strength and direction of antecedents' impact on consumer ethnocentric tendencies can be found in the level of the economic development of each country. Since the level of ethnocentrism differs with different economic development stages, then comparing relationships observed in developed and developing countries will be misleading and is expected to provide researchers with non-conclusive data. Even within a particular developing country, longitudinal analysis is likely to yield different results, as the nation moves to more advanced stages.

2.3.5 Consequences Analysis

A meticulous review of existing literature indicates an increased volume of evidence concerning consumer ethnocentrism antecedents and limited research on the consequences. Ethnocentrism results are an under-investigated area and further

research needs to be undertaken, in order to elicit coherent and reliable data, which clearly state the major consequences. In general terms, nomological tests conducted by Shimp and Sharma (1987) established that consumer ethnocentrism is moderately predictive of consumers' beliefs, attitudes, purchase intentions and purchases. Kaynak and Kara (2002), Shimp and Sharma (1987), and Wang and Chen (2004), offer a more focused definition of the ethnocentrism effects and name four possible outcomes. The stated outcomes included overestimation of the domestic goods, underestimation of the foreign, a feeling of moral obligation to purchase domestic products and finally, intense preference for such goods. These consequences imply a strong emphasis on the perceptual implications of the construct and suggest only a possible course of action, which is the purchase of domestic products. Considering that intentions and preferences are not always translated into actions, then only inferences could be made for the actual purchase behaviour. In fact, extant literature addresses the outcomes of the phenomenon of ethnocentrism up to the point of purchase intention and fails to provide evidence relating to the purchase action itself.

At this point, it is important to note that consumer ethnocentrism effects on the above stated areas are both direct and indirect. In terms of indirect effects, mediators and moderators affect the relationship of ethnocentrism with its consequences. Mediators provide alternative paths of ethnocentrism effects and provide a comprehensive framework, in which more constructs can be studied. Additionally, moderators have the ability to soften or strengthen the results of ethnocentrism on attitudes or intentions, even for consumers who have exhibited high ethnocentric tendencies. Therefore, before presenting the consequences of this phenomenon in more detail, it is

important to acknowledge the mediators and moderators that influence the relationship between consumer ethnocentrism and its outcomes.

2.3.5.1 Mediators

Country of Origin: Extensively addressed in international marketing research, country of origin (COO) has elicited a significant amount of empirical data concerning its effect on product attitudes, evaluation and selection. As defined by Wang and Lamb (1983), COO effects are intangible barriers to expand in new markets in the form of negative consumer bias toward foreign products. Other researchers, such as Bannister and Saunders (1978) or Nagashima (1977) used the ‘made in’ term to define this concept. Its unique nature encompasses perceptions of an exporting country’s economic, political and cultural characteristics along with specific product image perceptions (Kucukemiroglu *et al.*, 2005; Parameswaran and Pisharodi, 1994). Generally, country-of-origin of a product functions as a stereotype (Reiersen, 1966; Maheswaran, 1994) and thus, is closely linked with bias against this product. As Chryssochoidis *et al.* (2007) suggest, ‘*the country of origin, as an information cue, activates various ethnocentric or not beliefs*’ (p. 1521).

Three distinct theoretical approaches were developed in order to explain the bias generated by country-of-origin information (Olsen *et al.*, 1993). The first approach includes the cognitive perspective, where COO functions as a cue to infer a product’s quality. This approach is the most frequently encountered in past studies. The second approach involves the affective responses individuals might have towards particular countries. For example, wars or other political incidents may remain in people’s

memories and evoke strong feelings of dislike. The final approach used to explain the COO bias stresses the normative processes that influence consumers' choices. This perspective emphasises the normative pressures a consumer feels to buy locally-produced items, in order to support local employees and economy.

The last two approaches make evident the close link of the country of origin cue and consumer ethnocentrism. Affective and normative aspects are well represented in consumer ethnocentrism components. Despite the universal acknowledgement of the influences these two phenomena have on one another, many empirical studies have addressed COO and consumer ethnocentrism without providing reasons for addressing these two constructs within the same study (Orth and Firbasova, 2003). Kaynak and Kara (2001) argue that consumer ethnocentrism moderates the relationship between country-of-origin and brand perceptions and preferences, while Orth and Firbasova (2003) suggest that consumer ethnocentrism functions as an antecedent towards country-of-origin effects. On the other hand, Orth and Firbasova (2003) treat ethnocentrism as an antecedent of COO effects. Although there are different interpretations in terms of the exact linkages between consumer ethnocentric tendencies and country-of-origin effects, for the purposes of this research, the mediator role of COO, suggested by Han (1988) will be adopted. The rationale for supporting the mediating role of country-of-origin is found in Han's study. In particular, the researcher found that patriotism had an effect on country image, but this effect was moderated by the importance of the product; patriotism effect was weak in the case of televisions but strong in the case of automobiles.

Both country of origin effects and consumer ethnocentrism are closely associated with bias and stereotypic associations of foreign countries. The difference is that country of origin effects operate on a specific country basis while consumer ethnocentrism is associated with general predispositions against all foreign countries. This has implications as to the ways people organise cognitive thinking and use of stereotypes. When a consumer is highly ethnocentric, he/she will make a two-way categorisation of products under evaluation; domestic as opposed to foreign. However, when ethnocentrism levels are low, but there is evidence of country of origin effects, people will tend to form categories either for each country individually or group of countries with perceived similar characteristics. Empirical evidence confirms the above statements, showing that for ethnocentric consumers country-of-origin effects are activated at the initiatory level, which is the country level (domestic versus foreign country), while non ethnocentric consumers tend to use more cognitive processes, with the COO effects being activated on a deeper level, the product attribute (Chryssochoidis *et al.*, 2007).

Yet, the implication of employing the country as a quality cue and basis for their preferences, being a vital point of convergence between COO and consumer ethnocentrism, has dictated all analysts' appreciation of the close connection between the two constructs. Evidence validating the association of COO with consumer ethnocentrism was provided in a cross-national research on consumer attitudes and decision making (Ngapo *et al.*, 2004) relating to pork meat products. Results of several focus groups from four different countries illustrated that consumers pay great attention to country-of-origin of the meat and process this information in order to assess quality. Elaborating more on quality perceptions, this research shows a

persistent and systematic preference of domestic against foreign pork. Most importantly, consumers defended their domestic product preferences through negative stereotyping of foreign farmers and pig production systems. An interpretation of these findings indicates that consumer ethnocentrism is evident in all consumer samples and is manifested in people's poor evaluations of all foreign countries. This study provides further validation of the close relationship between COO and consumer ethnocentrism by providing the empirical background of ethnocentric sentiments being intensified as a consequence of country-of-origin effects.

Strong ties between the two concepts are mainly evident in the case of domestic product unavailability, where even highly ethnocentric consumers have to choose between foreign products and their choice is based on cultural proximity of the countries from which products originate. Moreover, when developing countries are investigated, it is observed that Western countries are rated higher even from consumers who exhibit high levels of ethnocentrism (Kaynak *et al.*, 2000; Leonidou *et al.*, 1999).

The most profound evidence of the way in which country of origin could influence the levels of ethnocentrism could be found in the product and product category specificity of the concept of consumer ethnocentrism. For example, a specific country may rank high in consumers' evaluations for one product class and low in another (Kaynak and Cavusgil, 1983; Leonidou *et al.*, 1999), a finding which is linked to varying levels of ethnocentrism across product classes. Moreover, it has been found that country of origin could have even more profound effects on ethnocentrism levels. Investigating American consumers, Kim and Pysarchik (2000) found that consumer ethnocentrism

had a positive impact on the evaluation of the Japanese camera brand Nikon, illustrating that the strong image of this country and the expertise in this product category could eliminate the effect of ‘foreignness’ even to the extent that the product is actually perceived as domestic.

Balabanis and Diamantopoulos (2004) showed that country of origin effects are also evident in the levels of domestic country bias exhibited by consumers, suggesting within country variations of consumer ethnocentricity. Their findings indicated varying levels of preference for domestic goods according to product categories examined. To illustrate this, Britain was the first choice of British consumers for three of the product categories investigated, namely food products, toys and DIY tools, but for the remaining three, including TV sets, cars and fashion wear the majority of the respondents did not indicate British products as their first choice.

Product Judgment: The important role of product judgment as a mediator had been put forward by Suh and Kwon (2002). Although dependent on the cultural environment, consumer ethnocentrism was found to negatively affect product judgments, which then increases the reluctance to buy foreign products. A different perspective was given by Wang and Chen (2004), who provided sound evidence for the moderating role of product judgments. Researchers’ rationale for making this claim was based on previous studies showing evidence of consumers’ favourability of products manufactured in developed countries (Klein, 2002; Leonidou *et al.*, 1999; Netemeyer *et al.*, 1991). The findings suggest that ethnocentric consumers within a developing context will not necessarily perceive domestic products as being superior in quality to foreign alternatives. Wang and Chen (2004) argue that in a developing

country, the impact of consumer ethnocentrism on willingness to buy a domestic good will be weaker when consumers make a low quality judgment of the product under evaluation. However, consistent with the basic disciplines of consumer decision making process, product judgments within the context of this thesis are regarded as mediators in the relationship between consumer ethnocentrism and product attitudes.

Empathy: Empathy is defined by Hoover *et al.* (1983) as ‘*the ability to understand how a situation appears to another person and how that person is reacting cognitively and emotionally to the situation*’ (cited in Olsen *et al.*, 1993, p. 310). Olsen *et al.* (1993) conclude that empathy has a positive influence on willingness to help. The willingness to help construct is defined in terms of domestic product purchase willingness with the purpose of helping local workers. The essence of empathy suggests that the more one associates with the employees, the more willing he/she will be to purchase domestic goods. Therefore, this research indicates a consumer ethnocentrism effect on willingness to help, or put differently, willingness to purchase domestic products, through feelings of empathy. The importance of threat as a general factor suggested by Shimp and Sharma (1987) is advisable to be examined also as a moderator, intervening the relationship between consumer ethnocentrism and empathy, in addition to its moderating role between ethnocentric tendencies and their consequences discussed below.

Perceived Equity: Perceived equity is closely related to empathy. According to theory, perceptions of inequitable positions increase feelings of empathy and guilt. In order for individuals to reduce guilt and enhance empathy feelings, they are more willing to help people who are perceived to be in an inequitable position. Therefore, when

consumers observe that local workers face severe dangers from foreign products' penetration in the market they become more motivated to purchase products made in their own country. As Olsen *et al.* (1993) conclude through empirical research, less perceived equity generates increased levels of empathy and, subsequently, more willingness to help. The relevance of equity in the consumer ethnocentrism literature is also established through theories of psychology within the broader pro-social behaviour domain. Particularly, the theory of inequality aversion, provides more concrete foundations for the relationship between perceived equity and willingness to purchase domestic goods. Inequality aversion explains the tendency of people to behave altruistically towards people who are worse off than they are (Meier, 2006). Consequently, the increased significance of perceived equity could be extended to international consumer behaviour, to include efforts to eliminate inequality phenomena through domestic purchase.

Ad Attitudes: The mediating role of ad attitudes in the relationship between consumer ethnocentrism and brand attitudes have been introduced by Reardon *et al.* (2005). The relevance of this variable as a mediator is established only in transitional economies. To be more specific, the researchers concluded that when an economy is in its early stages of transition, there is an indirect effect of ethnocentrism on brand attitudes, through attitudes toward the ads. The rationale for this finding stems from people's inexperience with foreign products and foreign ads, leading to their out of hand rejection. Although the study included two economies with differing levels of development, caution should be placed upon the fact that these were both developing countries. To address this gap, Kwak *et al.* (2006) conducted research in three distinct cultural and economic environments, namely the USA, South Korea and India. Their

results supported the mediating role of ad attitudes on product attitudes in all three countries studied. Empirical evidence illustrated that consumers' favourable attitudes toward foreign ads, mediate their unfavourable attitudes toward the product.

2.3.5.2 Moderators

Perceived Product Necessity: Empirical data presented agreed on the moderating role of the perceived necessity of a product in the relationship between consumer ethnocentric tendencies and product attitudes. It was Sharma *et al.* (1995) who first showed that when a product is perceived as unnecessary, then the impact of ethnocentric sentiments on attitudes will be stronger. The more necessary a product is perceived, the less the ethnocentric impact will be on beliefs toward products. Although individuals may still exhibit ethnocentrism tendencies, when a necessary item is under evaluation these tendencies might not affect attitudes or purchase intentions. This is especially true when no domestic product is available and consumers have to choose between foreign alternatives only. Apart from the USA investigated by Sharma *et al.* (1995), the moderating role of product necessity has been validated in other contexts as well, such as Poland (Huddleston *et al.*, 2001) and France (Javalgi *et al.*, 2005).

Symbolic Brand Benefits: Empirical findings illustrated that brands that are related to specific functional (cognitive aspect) or symbolic (affective aspect) benefits are not strongly affected by ethnocentric tendencies. Symbolic product benefits are especially relevant in the contexts of developing countries (Supphellen and Gronhaug, 2003; Zhou and Hui, 2003). For example, Supphellen and Gronhaug (2003) have

investigated this moderator in transitional Russia, where results showed that symbolic benefits become more important for consumers as societies evolve from lower to higher socio-economic levels, suggesting that when disposable income is increased and individuals go up the social ladder, not only do they become more able to meet the increased prices of particular products, they also become more concerned about projecting their high status to the society. A number of studies have highlighted the increased significance of symbolic benefits by showing that these are so strong that could counteract the effect of consumer ethnocentrism. An example could be found in Zhou's and Hui's empirical research (2003), which presented strong evidence regarding the moderating role of these perceived product benefits in the impact of consumer ethnocentrism on consumers' beliefs toward consumer products. Their results indicated the increased importance of symbolic attributes on purchase intentions. The impact of symbolic benefits was in fact so strong, that surpassed in importance even utilitarian attributes. According to this same study, symbolic value is relevant for conspicuous as well as inconspicuous products. Conspicuous consumption, occurring as a result of perceived symbolic value of a product, has been addressed as a moderating factor by Wang and Chen (2004) in the Chinese market. Along with previous studies, Wang and Chen have also confirmed the fact that functional and symbolic benefits counteract the impact of ethnocentricity on product evaluations.

Level of Product Involvement: In general, it is expected that low involvement products are capable of diminishing the impact of consumer ethnocentrism on beliefs towards foreign products. Empirical data presented by Lantz and Loeb (1996) illustrate that for low involvement products, price was the most important product attribute and country

came second in their employment of evaluation criteria. By accepting price as the most important product attribute in the evaluation of low involvement goods, then the affective implications associated with consumer ethnocentrism, such as morality and altruism become weaker and consequently, consequences of ethnocentrism will alleviate.

Domestic Product Availability: Although domestic product availability has raised some degree of controversy among scholars, its relevance within the international consumer behaviour context cannot be overlooked. Several studies have illustrated when ethnocentric consumers are obliged to purchase foreign products due to unavailability of domestic alternatives, they will prefer products from culturally similar countries (Watson and Wright, 2000). Nijssen and Douglas (2004) have illustrated that availability of domestic products plays a moderating role in the relationship between ethnocentricity and product evaluations. In particular, only when foreign products compete with domestic ones, does ethnocentrism play a role in product evaluation. In contrast, when only foreign products exist in the market, ethnocentricity fails to affect evaluations. Consequently, it is rational to support that availability of domestic goods determine the effect of consumer ethnocentrism on consumer evaluations.

2.3.5.3 Product Attitudes

The impact of ethnocentrism on product attitudes has been well established across various contexts and products. Shimp and Sharma (1987) have investigated the correlation between consumer ethnocentrism scores and attitudes towards foreign

products and found that there is a strong negative relationship between the two variables; the higher the score of consumer ethnocentrism one exhibits the more negative attitudes he/she will hold against foreign goods. Since then, an increasing number of studies have addressed consumer attitudes and have confirmed the negative correlation with consumer ethnocentric tendencies (Alden *et al.*, 2006; Kaynak and Kara, 2002; Kim and Pysarchik, 2000; Sharma *et al.*, 1995; Watson and Wright, 2000). This relationship validates even further the extensive research on consumer ethnocentric tendencies within the international marketing domain. The implications both in academic and practical terms are enormous and arise mainly from enhancing one's ability to predict consumer attitudes.

Through the content analysis of the construct, it was evident that the use of stereotypic associations provides the context in which consumers justify their strong positive attitude towards domestic products and negative attitude towards foreign alternatives. An interesting area though would be to examine the impact of ethnocentrism on attitudes in the case where stereotypes are weaker and foreign product superiority is appreciated. Empirical data by Supphellen and Rittenburg (2001) suggest that in order to reduce dissonance caused by the superiority of foreign products/brands, consumers exhibiting high levels of ethnocentrism are more likely to upgrade domestic products/brands rather than downgrade foreign. Results illustrated that consumer ethnocentrism in this case has a positive impact on attitudes toward domestic offerings, but no effect is observed on attitudes toward foreign alternatives. Balabanis and Diamantopoulos (2004) have observed that consumer ethnocentrism is a more consistent predictor of preferences for domestic products rather than foreign. The two studies agree on the significant consumer ethnocentrism consequence of forming

positive attitudes towards domestic products, but challenge the correlation of ethnocentricity with negative attitudes towards their foreign alternatives. Empirical evidence presented by Balabanis and Diamantopoulos (2004) suggest that consumer ethnocentrism is not consistently negatively related to foreign product preferences and that these inconsistencies could not be explained through product categories differences. Therefore, the above results imply that consumer ethnocentrism could adequately predict positive bias toward domestic goods but not negative bias against foreign goods. Strong support for this last statement could be found in Klein *et al.*'s (2006) validation of the CETSCALE in transitional economies. Their findings suggest that consumer ethnocentrism is a valid construct, even in contexts where consumers exhibit a higher preference for foreign products. These results point to the same direction, the existence of different magnitudes, and thus types, of consumer ethnocentrism. Additionally, they provide verification for the distinction between ingroup bias and outgroup rejection, parallel to the distinction suggested by ethnocentrism literature and social identity theory.

Han's study (1988) has challenged the findings above and has shown that highly patriotic consumers rate foreign products lower, indicating a significant ethnocentrism effect on foreign products. Findings from Han's study illustrate that when it comes to product ratings, patriotic consumers consistently rate foreign products poorly in order to justify their decisions of domestic product purchase. If we accept the positive correlation between consumer ethnocentrism and patriotism (Balabanis *et al.*, 2001; Javalgi *et al.*, 2005; Sharma *et al.*, 1995), then the contradiction with the previous two studies is evident, as consumer ethnocentrism is supported by Supphellen and Rittenburg (2001) and Balabanis and Diamantopoulos (2004) not to have a consistent

impact on foreign product evaluations whereas Han suggests that effect is evident for both domestic and foreign goods.

Reardon *et al.* (2005) have investigated the outcomes of consumer ethnocentrism within two transitional economies. Their research sought to identify the impact of ethnocentricity on brand as well as ad attitudes. The empirical findings indicate an indirect effect of ethnocentrism on brand attitudes through ad attitudes when the country experiences the early stages of transition, while when development progresses, the effect of ethnocentrism on brand attitudes becomes weaker. Thus, it could be assumed that as economies move to more advanced stages, consumers are most likely not to infer quality from country of origin but form their attitudes based on brand attributes or brand equity dimensions. On the contrary, during the early stages of transition, ethnocentric tendencies impact attitudes toward advertisements, as these were rejected from the beginning as foreign.

The more cues researchers incorporate into their analyses, the more consistent results are produced across countries and products. To illustrate this, the effect of symbolic brand benefits constitutes an important factor that consumers evaluate when they are in their decision-making process. The inclusion of this variable in empirical studies, has produced rather contradictory results. In particular, within developing countries, the effect of ethnocentrism on attitudes becomes weaker (or eliminated) as a consequence of the brand image (Wang and Chen, 2004) and attitudes towards foreign products are likely to be positive. This result is supported by the social identity theory and its implications for low and high status groups discussed above.

Research by Olsen *et al.* (1993) has also provided evidence for the inconsistency of consumer ethnocentrism results when other cues are investigated in comparison with ethnocentrism. The study addresses the impact of ethno-national identity (another term for consumer ethnocentrism) on the helping behaviour of consumers, developed as a consequence of ethnocentric tendencies. Their model suggested a direct and an indirect impact, through perceived equity, empathy and perceived costs, on willingness to help. For example, the willingness to help is influenced by the cost associated with helping; in order to help consumers must be convinced that the cost of helping is minimal compared to the cost of not helping. Therefore, it is suggested that consumers' willingness to help the domestic economy and workers are not consistently predicted by consumer ethnocentric tendencies; variables such as cost, empathy and perceived equity intervene to determine consumers' attitude of helping. The significance of cost is also illustrated in Bruning's research (1997) within the airline industry in Canada. Results show that even those travellers who exhibited high national loyalty scores considered price as the most important factor to consider with buying national considerations coming second.

The importance of being able to identify attitudes is manifested in researchers' and practitioners' enhancement of purchase behaviour prediction. Through its ability to predict attitudes, consumer ethnocentrism extends its importance to the next stage of decision making, purchase intention. Past studies addressing the consequences of consumer ethnocentric tendencies and in particular attitudes have also investigated purchase intention, due to the fact that intentions stem from attitudes (Fishbein and Ajzen, 1975). Illustrating this link, Javalgi *et al.* (2005) suggest that for the majority of the products and countries investigated, the attitude towards importing foreign

goods is positively correlated with purchase intention to buy foreign products. Further evidence for attitudes' ability to predict purchase intentions could be found in Kim and Pysarchik (2000).

2.3.5.4 Purchase Intention and Actual Purchase Behaviour

The basic principle of consumer ethnocentrism lies in domestic product purchasing being attributed a moral dimension. Thus, for highly ethnocentric consumers, and where domestic goods are available, purchase intentions consist of those goods only. Support for this relationship is found in empirical results showing a significant effect of patriotism on purchase intentions (Han, 1988). Additionally, Shimp and Sharma (1987) using the Fishbein/Ajzen model to measure purchase intention, found that it is negatively correlated with consumer ethnocentrism scores.

A narrower definition of purchase intentions, so that it only includes willingness to buy domestic goods, has pointed to the same direction. Wang and Chen (2004) have shown that willingness to buy domestic items is positively correlated with ethnocentric tendencies, depending on the quality judgment of these items and conspicuous consumption values. In terms of foreign products, Klein *et al.* (1998) have found that consumer ethnocentrism was negatively related to willingness to buy foreign products, a finding which was later confirmed by Suh and Kwon (2002).

Yet, the construct of willingness to buy foreign products should be treated with caution, since it has been proved to be distinct from reluctance to buy foreign products (Suh and Kwon, 2002). As a result, when investigating consumer ethnocentrism

phenomena and their consequences both constructs should be examined, as there is no evidence of correlation between willingness and reluctance.

Contradictory findings have been presented in Poland and Russia (Good and Huddleston, 1995). Interestingly, Polish consumers, who were found to be more ethnocentric than Russians, showed willingness to buy domestic products from the clothing product category. Researchers indicated that in both countries, the relationship between ethnocentric tendencies and purchase intentions was non-existent, opposing the vast majority of literature investigating purchase intentions. This result could be attributed to the stage of the economic development of these two countries and their positive quality perceptions of foreign products as a result of low trust in domestic production.

Moving on to the next stage of consumer decision making, the actual purchase behaviour has received a limited amount of attention within the consumer ethnocentrism literature. From a managerial point of view, this is a significant gap mainly because attitudes or even intentions are not all indicative of the actual purchase behaviour performed by consumers. As Solomon *et al* (2002) stated, '*the basic assumption that behaviour is intentional may be invalid in a variety of cases, including [...] simple repeat buying*' (p. 145). The review of the past literature reveals only two studies that have touched upon the issue of actual purchase behaviour, shaped by consumer ethnocentric tendencies. More specifically, Witkowski's research in Hungary and Mexico (1998) monitored the purchases over a three year period as a measure of actual purchase behaviour. The results indicated a negative correlation of ethnocentrism scores with actual purchase only in one of the two countries studied.

Interestingly, Yu and Albaum (2002) found that consumers within the city of Hong Kong purchased more British products than Chinese alternatives. In this case the handover of sovereignty from the United Kingdom to China caused an increase in ethnocentrism levels among Hong Kong citizens, but this increase was relatively small to provide the Chinese products a leading position. These two studies, addressing actual purchase behaviour, should be treated with some caution due to the fact they were based on consumers' memories of purchases of the last three or two years. Therefore, the reliability of the data elicited through purchase recall is questioned. Similar findings were presented by Chysochoidis *et al.* (2007), who failed to find any statistical significance in the relationship between consumer ethnocentricity and purchase behaviour of Greek consumers.

The empirical data from past studies showing that other extrinsic cues, such as price or brand image, are capable of diminishing the effect of ethnocentrism on attitudes, forces researchers to investigate the impact of consumer ethnocentrism on actual purchase behaviour. To illustrate the significance of research within this field, an example from Olsen *et al.*'s research (1993) would be used. This study shows that highly ethnocentric consumers are willing to help but their willingness depends on empathy, perceived equity and cost associated with helping. Put differently, consumers might be willing to help, but considering the costs of their help, they might not turn their willingness into action.

The outcomes of consumer ethnocentrism are of paramount importance both for researchers and practitioners in the field of international marketing. From the researchers' perspective, consumer ethnocentricity provides a solid explanation for

consumer behaviour patterns in international markets. Moreover, it provides the context within which attitudes are formed. From a managerial perspective, targeting and positioning are enhanced, due to the fact that managers will be more knowledgeable of the consequences and in this way be more able to cluster consumers and predict attitudes and purchase intentions for each consumer segment.

2.3.6 The CETSCALE

The CETSCALE (Consumer Ethnocentric Tendencies Scale) has been developed by Shimp and Sharma in 1987 to address the need for a consistent and valid scale to measure the levels of ethnocentric tendencies within a specific culture. The authors used the term ‘tendencies’ instead of ‘attitudes’, because they were aiming at ‘*a more general notion of a disposition to act in some consistent fashion toward foreign products*’ (Shimp and Sharma, 1987, p. 281). As stated by the two researchers, the term ‘attitude’ encapsulates consumers’ feelings towards a specific item. Therefore, the term ‘tendencies’ was chosen by Shimp and Sharma, in order to avoid any misconceptions and application generalisability is achieved.

The first stages of the scale development process aimed at addressing seven aspects of consumer attitudes toward foreign products. The first scale items, tapping those seven aspects, were generated through consumer interviews and included consumer ethnocentric tendencies, price-value perceptions, self-interest concerns, reciprocity norms, rationalisation of choice, restrictions-mentality and freedom of choice views. From the first purification study, the researchers included seventeen items from the patriotism and politicoeconomic conservatism subscales developed by Adorno *et al.*

(1950) to validate possible links with consumer ethnocentricity. By carrying out a range of preliminary studies, pre-tests and scale purification methods, the two authors have managed to create a seventeen-item Likert-type scale, which measures the level of ethnocentric tendencies of individuals. All measure items satisfied at least a 0.5 reliability criterion (factor loading). In more detail, the scale was designed to incorporate moral, economic and social implications to capture the dimensions of consumer ethnocentrism. However, social implications in particular are only implied through morality and are not directly addressed in the CETSCALE.

Although originally developed in the USA, evidence of the scale's satisfactory levels of psychometric criteria was presented across different cultures. Reliability and unidimensionality were established in USA, France, Japan and West Germany (Netemeyer *et al.*, 1991), Spain (Luque-Martinez *et al.*, 2000), Korea (Sharma *et al.*, 1995), Turkey (Kaynak and Kara, 2002), Russia and Poland (Good and Huddleston, 1995), Hungary and Mexico (Witkowski, 1998), Russia and China (Klein *et al.*, 2006), and Canada (Saffu and Walker, 2005). Reliability was also established in countries associated with unstable relationships with foreign countries, such as Iran (Bahae and Pisani, 2009) and North Cyprus (Güneren and Öztüren, 2008). USA good fit results were verified by Durvasula *et al.* (1997) along with Russian satisfactory results.

However, some years later, the unidimensionality of the scale in Russia was questioned and rejected by Saffu and Walker (2005), who did not achieve satisfactory levels of validity within this country. Additionally, Hong-Kong failed to provide satisfactory results in unidimensionality tests both before and after the sovereignty

handover from the United Kingdom to China (Yu and Albaum, 2002). Failure to find a unidimensional structure of the CETSCALE is encountered in the case of India, where the researchers identified four dimensions, namely nationalism, socio-economic conservatism, protectionism and ultra-nationalism (Upadhyay and Singh, 2006). In Greece, the rotated factor solution revealed two almost equally strong factors; factor one was termed 'hard' ethnocentrism and factor two was termed 'soft' ethnocentrism (Chrysochoidis *et al.*, 2007). Finally, unidimensionality as well as reliability of the scale were rejected by Bawa (2004) in the case of India. Despite these poor results, the overwhelming volume of evidence suggests that the CETSCALE is a reliable and unidimensional measurement instrument of ethnocentricity across national borders, implying that the instrument could be used on a cross-national basis.

Although numerous studies applied the CETSCALE to measure consumer ethnocentric levels, there are some exceptions within current literature that have rejected application of this instrument. For example, Festervand and Sokoya (1994) developed their own scale to measure ethnocentrism in Nigeria, based on the assumption that the CETSCALE is unsuitable to apply in a developing country context. Their scale involved a set of sixteen attitudinal statements and addressed issues such as attitudes toward foreign products purchase, political views on international trade and possible bias against foreign products. One major difference with the CETSCALE was that, being developed in a developing country, focus has been placed on the policies, both in terms of consumer behaviour and governmental approaches, which could support the development of the economy. This instrument has been developed in order to correspond to the Nigerian culture only. Its application

in different contexts is doubtful and further tests need to be undertaken to ensure validity and reliability of the scale before it could be suggested as a cross-cultural measurement tool. Another example of modified consumer ethnocentrism instrument, based on the CETSCALE is found in Lindquist *et al's.* (2001) work. The authors found that a reduced-item CETSCALE was better fit in the Czech Republic (the scale included seven items), Poland (six items) and Hungary (five items). Finally, Klein *et al.* (2006) found that a reduced-item version of the CETSCALE, including six items, performed similar (or even better) with the original ten-item scale. Furthermore, reduced item CETSCALE, consisting of six items, was found to show higher levels of psychometric properties in the developing countries of China and Russia (Klein *et al.*, 2006). The significance of these research studies is paramount, due to the fact that they extend the construct's validity in transitional economies, where foreign products are preferred. Summarising, the CETSCALE has been established through rigorous psychometric and nomological tests as a valid instrument across countries differing in their economic development stages. However, the review of the literature brought to light several content limitations that restrict the measure's ability to capture the comprehensive essence of the construct.

2.3.6.1 CETSCALE Limitations

Theoretical and empirical evidence from different disciplines, including sociology and psychology, suggest that there are facets of the construct that are not well captured by current conceptualisation. In particular past delineation of the construct and subsequently CETSCALE itself failed to account for impure altruism, constructive patriotism and normative influence. Current measurement instrument heavily focuses

on the pure altruism dimension and acts of love towards the country arising from perceptions of threat. Following the implications of pure altruism, assumptions of rejection of foreign products were made. Multidimensional literature review indicated that automatic derogation of foreign products should not necessarily be perceived as a facet of consumer ethnocentrism; patriotic sentiments could be an aspect of the construct that was not adequately addressed in past literature. Finally, although Shimp and Sharma (1987) emphasised the need to incorporate sociological phenomena in studies of consumer ethnocentrism, current literature fails to examine consumer ethnocentrism under the light of sociological theory. The following paragraphs will discuss in detail all the CETSCALE limitations, including both content and technical limitations.

2.3.6.1.1 CETSCALE Content Limitations

Morality, Altruism and Solidarity: Although the dimension of self-interest has been brought to the researchers' attention in the item generation stage, where consumers were asked for their opinions about foreign products, during the later stages of purification, this dimension was eliminated. However, from the analysis of the literature, the concept of impure altruism prevails as major determinant of the levels of consumer ethnocentric tendencies. Support for the self-orientation is mainly rooted in social identity theory, which accepts self-enhancement efforts as legitimate goals towards group enhancement and a positive social identity. Consequently, following from the implications of social identity theory, it is suggested that in terms of helping behaviour, not only altruistic motives should be examined; consumer efforts of

approaching their ideal self-image should be taken into consideration as motives towards consumer ethnocentrism.

This finding of consumers' attempts to approach their ideal self through their consumption patterns led to the conclusion that ethnocentric behaviour should not always be treated as part of a person's ideological system. It is rational to support that there could be opportunistic motives behind any ethnocentric or polycentric behaviour. The levels of personal interest and altruistic orientations determine the existence or absence of opportunism in ethnocentric behaviours. Thus, in an effort to place ethnocentrism in its real context, it is highly significant to link the concepts of altruism and self-illusory hedonism. The current measurement instrument, involving a strong focus on morality, failed to acknowledge the impact of self-interest motivation and therefore, the validity of data could be questioned.

Shimp and Sharma (1987) developed the concept of consumer ethnocentrism on the basis of pure moral obligations and altruistic attributes. Their definition failed to acknowledge that there could be situational factors that affect the levels of ethnocentrism and make ethnocentric behaviour just a response to a specific stimulus rather than an ideology, which is pervasive and governs consumers' attitudes throughout their lives. As indicated by the literature and consistent with social identity theory implications, consumer ethnocentrism could occur as a result of opportunism and, thus, cannot be assumed to be pervasive throughout one's life. In particular, following from evidence for the importance of self-interest and perceived threat, it is expected that individuals will only exhibit conditional altruism and solidarity under certain situations. This means that development of an altruistic behaviour will arise

when personal interests are enhanced or when there is increased perception of threat. The conditional nature of consumer ethnocentrism is well supported through the situational nature of patriotism, which was validated by Kosterman and Feshbach (1989). This dimension points to a significant attribute of the CETSCALE; it provides only a snapshot of the levels of consumer ethnocentric tendencies rather than a pervasive personality trait.

Although the CETSCALE captures mostly affective elements, multidimensional literature illustrates that there are certain affective areas that it fails to tap. The current measurement instrument is tapping morality, pure altruism and solidarity towards the domestic workers, but fails to incorporate theories from different disciplines to gain better insights into the affective consumer ethnocentrism components. Theoretical evidence from sociology and social psychology indicate that impure altruism should also be considered as a motivation force towards ethnocentric behaviour. The role of self-interest and self-enhancement are established driving forces of pro-social behaviour (Benabou and Tirole, 2004). Following from these studies, impure altruism is expected to be an important dimension of consumer ethnocentrism. The defining feature of consumer ethnocentrism, namely morality, was addressed through altruism and solidarity within the CETSCALE and in past studies (Hopkins and Powers, 2003; Hopkins and Powers, 2007). Taking into consideration that the concept of consumer ethnocentrism was developed on the foundations of moral obligation, it is argued that morality should be directly addressed and that it should constitute one distinct dimension in a new consumer ethnocentrism measure. In addition, it is hypothesised that the pursuit of self-enhancement and the varying levels of threat perceptions result in conditional morality, altruism and solidarity. Therefore, it is proposed that the

conditional nature of morality, altruism and solidarity should also be incorporated into the concept of consumer ethnocentrism.

Patriotism and Nationalism: Later literature relating to the impact of patriotism on ethnocentric behaviour, suggests that Adorno *et al.*'s patriotism scale, which was employed in the development of the CETSCALE corresponds better to the concept of nationalism. Shimp and Sharma (1987) developed the construct of consumer ethnocentrism on the assumption that products originating from foreign countries are '*objects of contempt*', implying a general negative evaluation against such products. This characteristic of the phenomenon explains the reason as to why the affective dimension of nationalism is a more appropriate concept when referring to consumer ethnocentrism as defined by Shimp and Sharma (1987). As already developed, nationalism involves ingroup favouritism accompanied by rejection of the outgroup values. Patriotism on the other hand could be a healthy devotion to one's country, including an understanding and appreciation of outgroup members' values. The notion of constructive patriotism encapsulates feelings of love towards one's country and perceptions of benefit from integrating with other countries. Having identified this difference, nationalism solely is captured by the past conceptualisation of the construct, while constructive patriotism prevails as a significant aspect of consumer ethnocentrism that could add to its explanatory power.

From the above evidence, it can be concluded that the CETSCALE has been developed to measure the type of consumer ethnocentrism which parallels the concept of classical ethnocentrism. However, the correlation with nationalistic tendencies only and the original assumption that this phenomenon results in both positive attitudes

towards domestic products and negative attitudes towards foreign alternatives, has been challenged by a number of studies. Findings from several studies have illustrated that consumer ethnocentrism, just like ethnocentrism in sociology, is manifested in different ways, ranging from weaker to stronger forms. Empirical data provided is conflicting, indicating that consumer ethnocentrism could either include negative stereotypes for products originating from foreign countries, or have no effect on attitudes towards these items.

Appreciating the different forms of consumer ethnocentrism implies that both nationalistic and patriotic sentiments should be represented in the instrument, because both concepts have been found to influence ethnocentric levels in distinct ways. For example, item four ('American products, first, last, and foremost'), implies a negative attitude towards non-American goods, which is a fallacy to assume. Evidence from theoretical and empirical researches has indicated that ingroup favouritism only could be a manifestation of ethnocentrism. These extreme items by Shimp and Sharma represent only one form of consumer ethnocentrism and fail to measure weaker forms of the phenomenon of ethnocentrism in consumption, which could be captured by the notion of constructive patriotism.

The CETSCALE captures only nationalistic sentiments and does not consider patriotic motivations that could also reinforce ethnocentric tendencies. Theoretical support for the relationship between consumer ethnocentrism and patriotism and nationalism could also be found in social identity. According to social identity theory, being a valuable member of one's national group implies that he/she accentuates the ingroup similarities and shows dedication and love towards fellow members.

However, depending on the status of the group and the perceptions of potential threats (Brown and Ross, 1982), differences between the ingroup (one's national group in this case) and the outgroup (foreign nations) might become increasingly significant, resulting in hostility towards any other group. Accentuation and attenuation of differences suggest that bias could be encountered at two levels, namely intragroup and intergroup (Condor, 1990). By applying these implications on consumer ethnocentrism studies, it is evident that social identity theory provides the support needed for illustrating the significant role of both patriotism and nationalism in this consumer behaviour phenomenon. Consumers might become ethnocentric as a result of pure love towards their own nation or by love and hostility towards any foreign nation. Consistent with the above evidence, it is hypothesised that patriotism should also be represented in a new consumer ethnocentrism measure to address the gap that the CETSCALE has created by paralleling consumer ethnocentrism with classic ethnocentrism only. Finally, the dynamic nature of patriotism through the link with perceived threat (Kosterman and Feshbach, 1989) is expected to constitute a novel dimension of consumer ethnocentrism, which the CETSCALE also failed to tap.

Perceived Threat and Cognitive Distortion: An overwhelming amount of research has been presented in academic literature with respect to cognitive aspects of consumer ethnocentrism and in particular, perceived threat and development of perceptions of superiority of domestic products. As already developed, perceived threat tends to reinforce ethnocentrism and shift consumers' preference towards domestic goods. Threat perceptions have been investigated and found to have a significant impact on consumer ethnocentrism in numerous countries. In line with social identity theory, threats to distinctiveness perceived by an inferior group could shift social orientation

from the intergroup to the interpersonal level (Brown and Ross, 1982) due to increased willingness of the members of this group to move to a superior group. Threat might be perceived in relation to group welfare and interests or it could involve concerns over self-interests and self-esteem. The domain in which threat is observed is a determinant factor of the level that individuals would focus on; personal or social identity. Evidence from the social identity theory suggests that a group's response to threat is heavily determined by its status. Low status groups might respond to threat by showing outgroup favouritism instead of derogation. The theories from psychology are also verified within the consumer ethnocentrism domain; consumers in developing countries have been found to prefer products from developed nations as opposed to the domestic alternatives (Batra *et al.*, 2000; Leondidou *et al.*, 1999; Zhou and Hui, 2003). Addressing the important role of threat, the CETSCALE includes items that capture threat with respect to the domestic economy (e.g., Item 11: Britons should not buy foreign products, because this hurts British business and causes unemployment). The literature review illustrated that threat remains an important dimension of consumer ethnocentrism and thus, should be addressed in the CEESCALE (Consumer Ethnocentrism Extended Scale).

Contrary to threat perceptions, the development of cognitive distortion in terms of domestic products, although evidenced in multiple cultural contexts, was not tapped in the CETSCALE. Theories from psychology and stereotype development indicated that ingroup favouritism should not necessarily be linked with outgroup derogation, widening the scope of consumer ethnocentrism to encompass varying forms of this phenomenon. Social identity theory suggests that accentuation of differences on a salient dimension is manifested through overestimation of ingroup's performance on

this dimension (Tajfel, 1973 cited in Hogg and Abrams, 1990). Following from these studies, the significant role of stereotypic perception is widely recognised as a vital component of social identities. Consistent with the literature, it is hypothesised that cognitive distortion is an important dimension of consumer ethnocentrism and thus, should be addressed in the new scale.

Normative Influence and Conformity to Social Norms: Although the delineation of the construct implies a strong impact of the social environment, CETSCALE fails to tap normative influence. Incorporating impure altruism and social identity- through the link with concerns of ideal self projection- in the content domain of consumer ethnocentrism, suggests that social environment should be investigated as a dimension of the core construct. Considering that morality constitutes the most fundamental or better the defining feature of consumer ethnocentrism, the link with social environment becomes evident. Setting the moral rules, the social environment is one of the most important drivers towards ethnocentrism. Empirical findings by Tropp and Brown (2004) indicated that individual enhancement can satisfactorily predict collective action. Consequently, social identity enhancement efforts made from group members to be perceived as caring for the group and thus, embrace the commonly accepted moral values and conform to social norms, provide the ground for the development of ethnocentric tendencies. CETSCALE has failed to acknowledge the impact of societal forces on the development of ethnocentric sentiments, which according to literature, seriously challenges the scope of the construct and thus, the explanatory power of the scale. Therefore, it is proposed that the new measurement instrument of consumer ethnocentrism should capture the normative influence and the tendency of people to conform to established norms. Table 2.3 summarises the main

consumer ethnocentrism aspects captured through the consumer ethnocentrism dimension of the CETSCALE and the hypothesised CEESCALE distinct dimensions.

2.3.6.1.2 CETSCALE Other Limitations

Further consideration should be placed on the scales that were employed as basis for the development of the scale. Adorno *et al.*'s (1950) scales of patriotism and politicoeconomic conservatism addressed the issue of ethnocentrism within the American context, using groups that were relevant to this society at that time. The scale included Americans' relations with Negroes, Jews and other minority groups, indicating that it was a context-specific instrument. Moreover, if the items are carefully examined, it is obvious that the scale corresponds to this specific point of time, where the world was recovering from the war and relations between nations were still unstable. For example, Japanese and American relations are examined in the aftermath of the Second World War. Although many of the scales' items were eliminated because they were considered outdated, the overall relevance to contemporary environments and relevance of issues addressed in the scales remains problematic. In simpler terms, it is rather difficult to link this scale with consumer ethnocentrism and isolate the effect of patriotism on the ethnocentric levels especially when the scale was context and time specific.

Individual items of the CETSCALE are rather extreme statements, which in reality could not elicit totally agree results (eg item 14 stating that 'Foreigners should not be allowed to put their products on our markets'). Additionally, the strong wording of these statements (eg item 4 stating 'American products, first, last, and foremost') is

likely to have an impact on the validity of the data. As Hult and Keillor (1994) argue, social desirability bias, partly developed as a consequence of the strong wording, might contaminate the results. Support for the impact of social desirability phenomena was presented by De Ruyter *et al.* (1998), who found a positive correlation between CETSCALE scores and social desirability scores. On the other hand, social desirability bias could be encountered as a consequence of social identity enhancement and the efforts made from group members to be perceived as caring for the group. These two opposing results of social desirability bias suggest that not only extreme statements but also ‘average’ ones should be included in order to avoid data contamination.

Table 2.3: CETSCALE and CEESCALE Aspects

| CETSCALE ASPECTS* | CEESCALE ASPECTS** |
|---|---|
| <u>Affective</u> Nationalism Solidarity Pure Altruism Morality (Indirectly) | <u>Affective</u> Nationalism <i>Patriotism</i> Solidarity (Conditional and <i>Unconditional</i>) Pure Altruism <i>Impure Altruism</i> Morality (Conditional and <i>Unconditional</i>) |
| <u>Cognitive</u> Perceived Threat | <u>Cognitive</u> Perceived Threat Cognitive Distortion |
| <u>Normative</u> - | <u>Normative</u> Conformity to Social Norms |

* All CETSCALE aspects are part of a single dimension

** CEESCALE hypothesised distinct dimensions.

To summarise, the CETSCALE was found to have overlooked some important components of consumer ethnocentrism. First of all, it is suggested that pure altruistic motivations should be examined in conjunction with impure altruistic factors due to the fact that both contribute in the development of ethnocentric sentiments. Moreover, it has been suggested that their relative importance determine the levels of consumer ethnocentric tendencies. Additionally, the use of statements corresponding to nationalistic as well as patriotic attitudes is advisable, because it has been shown that patriotism and nationalism, although related, are distinct concepts, which both motivate consumer ethnocentrism. Societal forces are also shown to have an important impact on the development of ethnocentrism and thus, items that tap social environment are expected to contribute towards a better explanatory power of the concept. Finally, the wording of the scale should be revised and more statements, which do not lie in the extreme end, should be incorporated to avoid social desirability bias phenomena.

2.4 Conclusion

The purpose of this chapter was to provide greater insights into the concept of consumer ethnocentrism. Prior to elaborating on this concept, ethnocentrism was first described and its underpinnings provided the foundations upon which consumer ethnocentrism was then developed. Through the review of a wide array of theoretical and empirical evidence across different disciplines, an updated conceptualisation of the construct was proposed. In particular, using the social identity theory and several of the implications arising from its application, the dimensions and incidence of the construct were informed with new, previously unexplored areas. The current self-

report measurement instrument, CETSCALE was then described and numerous limitations were identified as a result of the enhanced conceptualisation. Scales that were used to develop the CETSCALE and the wording of the items were also found to pose significant limitations for the use of the scale in more globalised markets. Thus, the development of a new scale was considered vital in capturing the contemporary meaning of consumer ethnocentrism and enhancing its explanatory power. The next chapter will provide a detailed description of the scale development process and elaborate on the individual steps undertaken towards this objective.

CHAPTER THREE:

RESEARCH METHODOLOGY

3.1 Introduction

The review of the consumer ethnocentrism literature opened new horizons for investigating the relevance of existing facets within more globalised markets and exploring previously unidentified aspects of the construct under investigation. An overwhelming amount of theoretical evidence supported the development of a new instrument that would better encapsulate the core aspects of consumer ethnocentrism in contemporary environments, encouraging the researcher to address this gap. This chapter provides a comprehensive account of the procedures followed to develop the new measure and elaborates on the individual procedures performed. Prior to delineating the methods used, the philosophical paradigms are introduced and arguments of the philosophical stand of this research are presented.

3.2 Key Philosophical Paradigms: Perspectives and Approaches of the Four Philosophical Traditions

Academic research has been overwhelmed by debates about the use of qualitative and quantitative techniques. Looking deeper at the roots of this debate, one realises that quantitative and qualitative research are fundamentally different in respect to their basic philosophical assertions. Quantitative research has found strong support in the positivist tradition, which paralleled social and cultural research procedures with those used in

research of the natural phenomena. Although today positivism is thought by many people to be dead, there are still scholars who persist on the value of this philosophical tradition and claim that positivism's basic assumptions continue to provide the general frame within which most of the research is conducted (Johnson and Duberley, 2000). Positivist researchers are concerned with '*discovering the "true" nature of reality and how it "truly" works*' (Guba, 1990, p. 19). Their ultimate goal is to reveal cause and effect relationships of social facts. Although positivism does not disregard qualitative research, it only accepts quantification of data as the main research route. In general terms, the positivist paradigm implies that qualitative methods are '*so rife with threats to validity that they are of no scientific value*' (Angen, 2000, p. 378). Thus, even if qualitative data is used, this will only be in the preparatory stage of a research that is designed to elicit quantitative data (Deacon *et al.*, 1999).

Further developments and modifications to the positivism tradition have directed researchers towards another philosophical approach, namely postpositivism. Postpositivism has some common ground with positivism in terms of the significance of natural laws in defining and shaping reality but it is fundamentally different from its predecessor due to the fact that it appreciates the investigator's inability to be completely distant from his/her object(s) of investigation. This last assumption implies that reality cannot be fully understood. Researchers have to be critical about their findings and make their interpretations in order to reach to conclusions. Methodologically, postpositivism scholars are aiming at a form of elaborated triangulation, using a variety of sources to verify findings. Contrary to positivism, this tradition utilises mainly qualitative techniques in order to redress imbalances that are generated by persistent attempts to achieve objective inquiry.

Contrary to the aforementioned philosophical stands, the interpretive philosophical tradition holds that the main focus of social research should be placed on the meanings that people attach to different social stimuli and the ways in which they are making sense of the world. Interpretive researchers believe that human behaviour cannot be understood within the same context as the natural world laws and a deeper understanding of meanings rather than pure acts should be the focus of the research. The interpretive tradition places special attention to the notion of constructivism, stressing that social knowledge cannot be produced in isolation of the context and the people that are taking part in the social events. In simpler terms, people that are studied and people that study them co-produce the social data. Consequently, the truth that is revealed is a product of negotiations taking place in dialogues (Angen, 2000). This philosophical tradition is passionately supporting that any quantification of people's thoughts and activities yields data that are deprived of the complexity of social and cultural life (Deacon *et al.*, 1999). Thus, interpretive researchers are advocates of ethnographic practices, which allow them to immerse in people's thoughts and beliefs as well as their understanding of the social world that surrounds them.

Finally, the philosophical tradition of critical theory stands between the two extremes, namely positivism and interpretive stands and tries to incorporate some of their basic assumptions in one approach. For example, critical theory researchers agree with interpretive researchers on the fact that the social world is constructed and reconstructed daily. However, they also acknowledge the fact that a real world that is shaped by real natural causes exists (Guba, 1990). Critical theory scholars, although accepting that there are social and cultural structures that determine people's actions, they are claiming that these structures exist independently of their awareness (Deacon *et al.*, 1999). The

most fundamental assumption of this philosophy is that values cannot be overlooked due to the fact that they play a significant role in the ways people are forming their social world perceptions. Their aim is to raise people from the level of ‘false consciousness’ to the level of ‘true consciousness’ (Johnson and Duberley, 2000). Critical theory scholars are encouraging the use of a variety of research methods in order to elicit valuable results (Deacon *et al.*, 1999). Table 3.1 summarises the main ontological, epistemological and methodological assumptions of each of the philosophical paradigms analysed above.

3.2.1 Validity and Reliability Considerations in Quantitative and Qualitative Research

Reflecting the fundamental differences in philosophical stands in research, issues of reliability and validity have been meticulously examined to understand their meanings within different epistemological and methodological contexts. Quantitative research, unbreakably bonded with positivism, is the less ambiguous area when defining the concepts of reliability and validity. Reliability is associated with replicability and ‘*refers to the degree of consistency of a measure over time*’ (Bryman and Cramer, 2005, p. 76). Validity within the positivist tradition and quantitative research determines whether the research actually measures what it intended to measure. The definitions and properties of the two psychometric criteria have forced some scholars to support that validity and reliability assessments are only applicable to positivist studies. Within the interpretive perspective, an increasing amount of debate has been generated as a consequence of divergent views in relation to quality criteria. Incongruent definitions arose mainly due to the fact that ‘*credibility of a qualitative research depends on the ability and effort of*

the researcher' (Golafshani, 2003, p. 600). Therefore, as research quality criteria become a rather subjective issue with no commonly accepted definitions and commonly accepted techniques, scholars continue to disagree on what constitutes a quality qualitative study.

Although a significant number of researchers hold that validity and reliability are criteria that are irrelevant in qualitative research, mainly due to the fact that they are rooted in the positivist approach, there are some studies that indicate an association of the psychometric criteria within the positivist and the interpretive perspectives. Whittemore *et al.* (2001) presented a comprehensive paper on parallelisms between qualitative and quantitative quality criteria based on the work done by Lincoln and Guba (1989). More specifically, the researchers support the application of translated quantitative quality criteria within more interpretive contexts by emphasising that *'translated standards of validity have proven to be useful criteria for demonstrating rigor and legitimacy of qualitative research'* (Whittemore *et al.*, 2001, p. 523).

Table 3.1: Summary of the Basic Social Research Paradigms

| | Positivism | Postpositivism | Interpretivism | Critical Theory |
|--------------|---|--|---|---|
| Ontology | <p><u>Realist</u></p> <p>Reality exists out there and the researcher's aim to objectively observe this reality and identify cause and effect relationships.</p> | <p><u>Critical Realist</u></p> <p>Reality exists and is driven by natural laws. It can never though be completely apprehended.</p> | <p><u>Relativist</u></p> <p>Reality is continually constructed and reconstructed through social practices.</p> | <p><u>Critical Realist</u></p> <p>Reality exists but there is no perfect knowledge of it.</p> |
| Epistemology | <p><u>Objectivist</u></p> <p>The researcher should remain distant from the subjects he/she is investigating.</p> | <p><u>Modified Objectivist</u></p> <p>The researcher should remain as neutral as possible and ask for the judgment of the 'critical community'. Objectivity remain major objective but the researcher is aware of the fact that it can only be approximated.</p> | <p><u>Subjectivist</u></p> <p>The researcher is taking part in the creation of social knowledge.</p> | <p><u>Subjectivist</u></p> <p>The researcher cannot isolate one's reality perception from his/her values. Values always shape findings.</p> |
| Methodology | <p><u>Experimental/Manipulative</u></p> <p>The investigator employs mainly quantitative research to reveal cause and effect relationships.</p> | <p><u>Modified Experimental/Manipulative</u></p> <p>By using qualitative methods and conducting research in more natural settings. Emphasis is placed on critical multiplism, which can be paralleled with elaborated triangulation.</p> | <p><u>Ethnographic Methods</u></p> <p>The investigator employs ethnographic techniques to understand the ways in which people make sense of the social world.</p> | <p><u>Interdisciplinary Research</u></p> <p><u>Involving a Mix of Methods</u></p> <p>The investigator uses a mix of methods to understand the underlying mechanisms that produce actions.</p> |

Adapted from: Guba, 1990; Deacon *et al.*, 1999

Reconceptualisation of the quality standards to fit the qualitative requirements resulted in a number of validity criteria, categorised as primary and secondary. Primary criteria consisted of four concepts, namely credibility, authenticity, criticality and integrity. Credibility is parallel to the internal validity criterion in positivistic studies and it involves the assertion of accurate interpretation of the data obtained through qualitative techniques. The second criterion, authenticity is closely related to credibility and is associated with the researcher's efforts to present meanings that are well grounded in the perceptions and living experiences of the participants. Criticality and integrity highlight the significance of keeping an open mind when implementing qualitative research. Researchers should be critical in their research designs and search for new hypotheses but not at the cost of integrity; qualitative researchers should always ensure that their interpretations are grounded within the data that they have obtained.

The secondary validity criteria are more flexible and their significance for each project is heavily determined by the nature of the investigation and the research objectives. Thus, secondary criteria are not as broad as the primary criteria and their relevance within a given project is assessed by the researcher. This category consists of the criteria of explicitness, vividness, creativity, thoroughness, congruence and sensitivity, which can be used at the researcher's discretion.

The process of establishing and demonstrating validity in qualitative research differs significantly from the one implemented within a quantitative study. Although quantitative approaches are associated with well established, unanimously accepted validity techniques, the establishment of validity within the qualitative domain is less clear. In particular, the validity techniques that are appropriate for each qualitative

project are not determined by a set of rules; the context in which the research is conducted plays a major role in determining the appropriate techniques that need to be followed in order to demonstrate the high quality of the study (Angen, 2000; Whittemore *et al.*, 2001). Angen (2000) argues that validity in the interpretive paradigm is illustrated through confidence rather than certainty due to the fact that there are not established rules and researchers are responsible for introducing their own techniques to demonstrate validity.

Golafshani (2003) puts great emphasis on the use of triangulation as the most common technique to ensure validity in qualitative research. Triangulation implies the combination of different research approaches, including the amalgamation of qualitative and quantitative methods. However, it is important to note that demonstrating validity remains a major consideration for investigators during all the stages of their research, starting from the design and concluding with the presentation. Different techniques are applied for the design, data generating, analytic and presentation stages of the research in order to provide evidence for the validity of every step that a given researcher follows to reach to findings that are grounded within the obtained data.

The process of scale development involves both exploratory and confirmatory stages, amalgamating qualitative and quantitative research. Exploratory research starts with the literature review and expands in the enhancement of content domain of the core construct through qualitative inquiry. Following the exploratory stage, quantitative research is employed as means of reaching to a manageable set of items that tap all the aspects of the construct's content domain and provide a robust measure of the concept under investigation. Having identified the steps involved in developing a valid measure,

it is argued that this research operates within the postpositivism and critical theory paradigms. In particular, while the scale development process calls for a critical realist ontology and a modified objectivist epistemology, it also requires a mixed method methodological approach, where qualitative results provide the foundations for a quantitative study. In line with the evaluation requirements of psychometric criteria for both qualitative and quantitative research, several techniques have been applied to establish reliability and validity of the exploratory and confirmatory research. In the course of this chapter the iterative scale development process will be analysed in great depth and the different phases of the research will be meticulously elaborated.

3.3 The Scale Development Process

Following the identification of several facets that were not captured by the CETSCALE, the new measure comes to address this gap. Consequently, the new consumer ethnocentrism scale was decided to be named CEESCALE (Consumer Ethnocentrism Extended Scale). The scale development process of the CEESCALE followed a variation of Churchill's (1979) paradigm. Churchill's work (1979) has constituted the basis for further studies and it is still one of the most comprehensive and widely used paradigms within the marketing domain. The procedure suggested by Churchill (1979) involved the use of Exploratory Factor Analysis (EFA) and inter-item and item-to-total correlations for the purification of a measure. Following Churchill's work, there were a number of other studies that extensively described the procedure of scale development (Dawis, 1987; DeVellis, 2003; Netemeyer *et al.*, 2003). Most importantly, the procedures suggested by Churchill were later enhanced by Gerbing and Anderson (1988), who advocated the use of confirmatory factor analysis (CFA) as a more credible

test of unidimensionality. Their work questioned the value of item-to-total correlations as indicators of unidimensionality on the basis that they may not be able to discriminate between indicators that belong to different but correlated factors. Therefore, they encouraged scale developers to use EFA as a preliminary procedure, prior to embarking on CFA in order to ‘*reduce a large number of indicators to a more manageable set*’ (Gerbing and Anderson, 1988, p. 189). Following the above scholarly recommendations, the scale development process of the CEESCALE followed Churchill’s main implications and was augmented by the use of CFA, as suggested by Gerbing and Anderson (1988). Figure 3.1 summarises the processes followed and the individual tasks within each process.

3.3.1 A Summary of the Scale Development Stages

The scale development process begins with the review of the relevant literature in an attempt to better conceptualise the construct, define its domain and its conceptual boundaries and understand what is included in and excluded from the construct. Theory suggests that a good set of items is chosen randomly from the totality of the items relevant to the construct (DeVellis, 2003). All the relevant sources have heavily emphasised the importance of overinclusiveness and item redundancy in this first stage (Clark and Watson, 1995; De Vellis, 2003; Netemeyer *et al.*, 2003). Netemeyer *et al.* (2003) have identified four possible sources of item development; multidisciplinary literature review, experts, interviews with the targeted population as well as the developer himself/herself. The previous chapter provided a multidisciplinary literature review and elaborated on constructs that were related to the core concept but did not necessarily lie within the same domain. Concepts and theories drawn from the domains

of political psychology, psychology and sociology were analysed and found to complement the contemporary set of dimensions of the extended consumer ethnocentrism. Relevant literature suggests that even for well established concepts like consumer ethnocentrism, literature review should always be the first step when developing or refining a scale (Haynes *et al.*, 1995). Although the core construct has been delineated in the past, it was of paramount importance to re-examine its domain and facets, due to their tendency to change over time.

To enhance conceptualisation even further, nineteen in-depth interviews were conducted with English consumers. The interviews were semi-structured, giving the interviewer the opportunity to clarify issues that were raised in the course of the interview and rephrase any questions that were not fully comprehended by interviewees. An interview guide was prepared in order to direct discussion towards the objectives of this study. Content analysis was performed and reliability of the coding was established through simple agreement and Scott's pi coefficients. Items were then developed on the basis of interview and literature review findings. Both positively and negatively worded statements were included in a seven-point Likert scale.

Emphasis was then placed on assessing the content validity of the developed scale. Content validity refers to adequacy of item sampling (DeVellis, 2003) and is considered vital in ensuring that all dimensions are well represented in the scale. Therefore, items were subjected to expert screening. Four key criteria were assessed at this stage, namely representativeness, relevance, specificity and clarity (Haynes *et al.*, 1995). By calculating intraclass correlations among the judges and for each of the four criteria,

safe conclusions could be drawn for the agreement of the experts. Items that performed poorly on any of the criteria were eliminated.

Following the expert screening, the next stage involved the pre-testing of the instrument. The items that survived the process of screening were subjected to field pretesting. Thinkalouds and respondent debriefings were used in order to identify semantic and general respondent task problems (Presser and Blair, 1994). Twelve English consumers were recruited to assist with the pretests. Several problems were identified and resolved before administering the survey.

Data collection for study I was implemented through a variation of the widely used mall-intercept technique (Verlegh, 2007). Due to the size of the questionnaire, which made on the spot completion impossible, respondents were asked for their cooperation and upon their agreement, they were provided with a copy of the questionnaire and a self addressed, pre-paid envelope for posting their answers.

The following step involved the purification of the scale in order to reduce the large number of items. As a preliminary technique, item-to-total correlations per dimension were calculated and items with low estimates were eliminated (Churchill, 1979). The subsequent analysis consisted of a series of EFAs until a satisfactory factor solution was achieved.

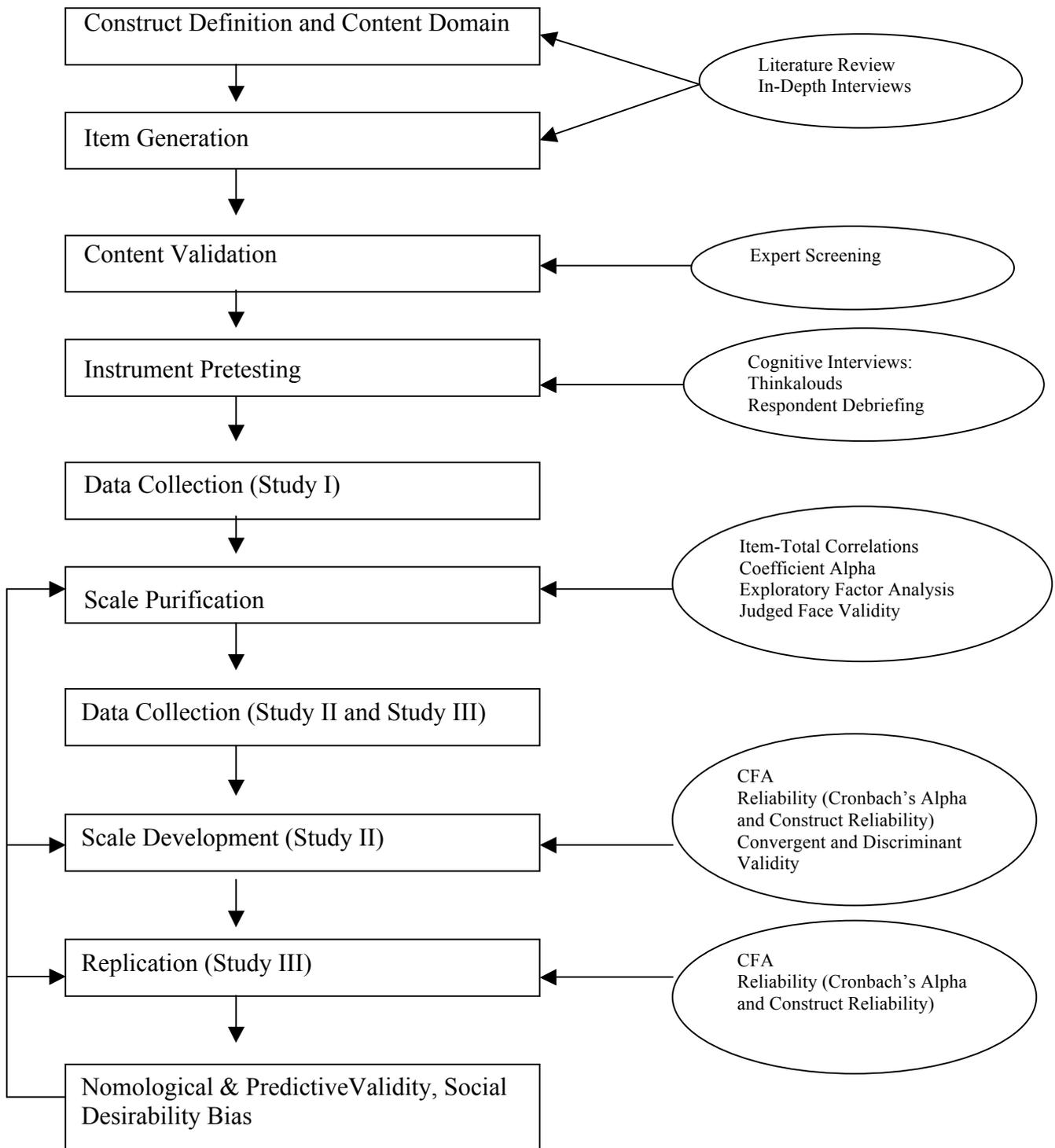
Consequently, the items that survived the EFA process, were again incorporated into a new questionnaire. However, due to the fact that the number of items remained high, the researcher designed two studies (II and III), incorporating different measures for

validation purposes. A-priory a decision was made to use the sample from Study II for the purposes of developing the scale and the sample from Study III for replicating the results.

Data collection was implemented simultaneously for the two studies. Mail and online surveys were designed and six counties across six different English regions were targeted. Statistical analysis of the two samples (mail and online) through a series of t-tests to examine their attitudes towards the questions asked, supported comparability, thus, allowing for their combination into one sample per study. In total, 1,600 questionnaires were sent out through the post; 800 for each of the Studies. The response rate achieved through the mail survey was 13.5 percent for Study II and 12 percent for Study III. For the online survey, 5,000 email addresses for each Study were targeted. Response rates for the online survey were much lower; 5.4 percent for Study II and 4 percent for Study III.

Following the a-priory decision made earlier, the usable questionnaires received from Study II were used for developing the scale. The items that survived the EFA process were subjected to a confirmatory factor analysis to reach to the final scale. The measurement model suggested by EFA produced poor fit results and thus, re-specification was pursued through iterative procedures until a satisfactory solution was achieved and confirmed by good fit indices.

Figure 3.1: The Scale Development Process



The focus was then placed on establishing convergent and discriminant validity.

According to Fornell and Larcker (1981), convergent validity is supported when the

variance explained by each of the scale dimensions is larger than the measurement error. Contrary to convergent validity, discriminant validity is supported when scale dimensions are not highly correlated, indicating that they are measuring different constructs. Convergent and discriminant validity were supported through established tests.

The next stage involved the replication of results on a fresh sample (Netemeyer *et al.*, 2003; Smith and McCarthy, 1995). The consumer sample from Study III was recruited for this purpose. The model formed by study II was once again supported, providing further evidence for the stability of the scale.

The final stage of the scale development process consisted of several steps for establishing nomological and predictive validity. Nomological validity involves the examination of the extent to which a scale operates within a set of theoretical constructs, to which theory-driven relationships are expected (Nunnally and Bernstein, 1994; Netemeyer, 2003). Nomological validity was examined through the use of correlations with various other measures included in Studies I, II and III. Finally, predictive validity is equally important and refers to the establishment of empirical association between the scale and some criterion (DeVellis, 2003; Netemeyer *et al.*, 2003; Nunnally and Bernstein, 1994). Predictive validity was investigated through the use of hierarchical regressions.

The following paragraphs discuss in detail the individual studies designed for the development of the CEESCALE (Consumer Ethnocentrism Extended Scale). Starting from the in-depth interviews and following the route illustrated in the Figure 3.1, the

discussion is focused on the main methodological implications raised from the iterative procedures of the total scale development process.

3.3.2 Exploratory Stage: In-depth Interviews

Scholars coming from a variety of disciplines all agree with the fact that the most challenging and demanding attribute of a qualitative research design is the compromise between rigor and creativity. On the one hand, researchers are trying to establish rigor through the systematic application of well established methods but on the other hand, they are seeking to incorporate the art of creativity within their approach and data analysis. There had been some arguments that cautioned researchers by arguing that rigor and creativity are in fact incompatible. Elaborating on this statement, some scholars suggested that when trying to achieve rigor through the adherence to systematic methods, investigators are automatically preventing exceptional qualitative research to be conducted, due to the fact that they automatically fail to introduce creativity in their methods and interpretations (Sandelowski, 1993 cited in Whittemore *et al.*, 2001). Although this compromise is a barrier that has been overwhelmingly emphasised, qualitative research today has been extensively employed not only as a complimentary method to quantitative approaches but also as the sole technique for acquiring data and satisfying research objectives. Interviews have been extensively used in a wide array of disciplines and have been effectively incorporated into studies investigating consumer psychology and attitudes. Kahn and Cannell (1957) define an interview as *‘a specialised pattern of verbal interaction, initiated for a specific purpose, and focused on some specific content area, with consequent elimination of extraneous*

material'. Both in academic and practical contexts, information-getting interviews are widely implemented. Information-getting interviews, offer an insight into individuals' attitudes, values, feelings, self images as well as more factual data, such as demographic information. From the above, it is evident that information-getting interviews are especially relevant for marketing purposes and particularly for gaining an understanding of consumer behaviour.

Drawing from the definition, interviews could be perceived as conversations with specific, predefined content, where the two participants have clear roles; those of the interviewer and the interviewee. Being an important qualitative technique, interviews have been widely accepted as a fruitful data collection method, providing the researcher with the opportunity to immerse in people's views, attitudes and opinions. The depth of the data that is going to be elicited is heavily determined by the structure of the interview. The less structure a researcher introduces in the interview procedure, the more depth he/she could achieve. Hermanowicz (2002) argues that it is this depth of information that drives researchers towards interviews. Interviews are seeking to uncover the meaning that people attach to each stimulus that they are exposed to. Researchers are able to unfold people's views on how they make sense of themselves.

3.3.2.1 Interview Design

The interviews were conducted in order to provide better insights into the different facets of the construct of consumer ethnocentrism. After having reviewed the relevant literature and elaborated on concepts that fall within multiple domains of knowledge, the facets of consumer ethnocentrism were once again examined through qualitative

enquiry. As already developed, the major strength of interviewing, which is associated with the depth of the data and the opportunity that is given to researchers to immerse in people's thoughts and attitudes, constituted a sound justification for the use of in-depth interviews at this early stage of the research. By interviewing a number of people, the researcher was aiming to verify as well as to enrich the dimensions of ethnocentrism derived from the literature review, resulting in a more comprehensive content domain for the concept of consumer ethnocentrism.

Interviews were semi-structured, allowing respondents to express their opinions and views freely. The major consideration when deciding on the appropriate level of interview structure was the depth that the researcher wished to achieve. Semi-structured interviews were chosen due to their ability to provide rich data, which at this exploratory stage of the research was considered of paramount importance. Additionally, Deacon *et al.* (1999) argues that semi-structured interviews have a remarkable advantage over structured interviews due to the fact that they allow the researchers to elaborate and rephrase questions so that these are fully apprehended by the interviewees. In this way, it is ensured that the data elicited correspond to their research needs and objectives. The interview guide provided the researcher with the control she needed to direct the discussion towards the objectives of the study and consisted of seventeen basic questions, addressing the key issues identified through the literature review. The semi-structured format allowed for flexibility in terms of the topics discussed and resulted in a number of other areas, unidentified through the already established theories, to arise and be elaborated by the respondents.

Interview questions were carefully designed, so that useful conclusions could be made. For interview questions to add value to the research, the most critical practice is to always consider the objectives of the study. In fact, the most fundamental function of the questions is to translate the objectives of the research into a form that can be articulated to the respondent without any loss of meaning. The questions that are going to be asked during an interview serve another important purpose as well; they are capable of motivating respondents, increasing their willingness to elaborate on their views (Kahn and Cannell, 1957). Considering the two basic functions of the interview questions, one realises that analysts should put great effort in designing their questions.

The questions for this study were designed using some of the guidelines provided by Hermanowicz (2002). The researcher took care of the length of the questions, posing short questions to interviewees so that these are apprehensible to each respondent and do not cause any misunderstandings. Additionally, special attention was given to the sequence of the questions and efforts have been made to organise the questions in such a way so that the preceding question anticipates the following. The interview guide developed for the purposes of this research contained 17 basic questions. As already stated, the questions were simply a guide and other questions arose as a consequence of unidentified areas discussed in the course of the interview.

All the interviews were tape-recorded so that the information was accurately recorded, ensuring a better analysis and allowing the establishment of more comprehensive conclusions. At the beginning of each interview, the researcher read a brief description of the study to each participant, providing more details of the topic than those previously discussed. Moreover, the brief introduction pointed out the risk for the

respondents associated with personal judgments required for answering the questions and informed him/her about his/her rights. Finally, consent was asked to tape-record the interview (Hermanowicz, 2002).

3.3.2.2 Interview Sampling

The interview sample consisted of English-born citizens only, and included male and female consumers. Non random, judgment sampling was utilised and more specifically a mixture of convenience and snowball sampling techniques were used to obtain data from nineteen English consumers. All the respondents that were recruited were aged 35 and above. This sampling criterion was set by the researcher after taking into consideration past evidence illustrating that older people exhibit higher levels of ethnocentrism. Due to the fact that this stage aimed at defining the content domain, it was of paramount importance that this technique elicited data, which will shed more light on the different facets of the extended construct of consumer ethnocentrism. Consequently, the researcher opted for older generations, which were more likely to yield richer data. Non-random sampling and the recruitment of a judgment sample is a legitimate and probably required technique at this stage. Churchill (1979) emphasised that *'the experience survey is not a probability sample but a judgment sample of persons who can offer some ideas and insights into the phenomenon'* (p. 67).

3.3.2.3 Interview Analysis

All the interviews were transcribed verbatim by the researcher and following this stage, analysis of the transcribed communications material was conducted. The analysis of the

qualitative data obtained by the semi-structured interviews was carried out through the use of content analysis. Following Kolbe's and Burnett's definition (1991) content analysis is '*an observational research method that is used to systematically evaluate the symbolic content of all forms of recorded communications*' (p. 243). The systematic evaluation of the communications content constitutes the fundamental benefit of content analysis. Kassirjian (1977) refers to quantification of the manifest content of communication as the major differentiating characteristic of this analytical approach. Neuendorf (2002) has combined the aforementioned attributes in her definition and stated that content analysis is '*the systematic, objective, quantitative analysis of message characteristics*' (p. 1). By forming categories, researchers are given the opportunity to measure the extent of emphasis of each of them, allowing for a form of quantification. The categorisation of data however is associated with two major problems; findings could be contaminated by the bias with which the researcher formulated the categories or interpreted communications material and only categorical data could be elicited through this technique (Kolbe and Burnett, 1991).

Within the context of this thesis, content analysis was utilised to understand consumer's thoughts and attitudes towards foreign and domestic product consumption. The significant advantages of categorisation and systematisation were considered as extremely beneficial. The researcher opted for the formation of categories at this first stage of her study in order to clearly illustrate the most significant facets of consumer ethnocentrism. Additionally, content analysis provided the opportunity for the identification of the themes that were most significant across the interview sample. The categories formed were then used in the following stage of item generation, where different items were developed for each of the identified categories.

Content analysis was carried out using the basic guidelines provided by Neuendorf (2002). More specifically, the researcher used themes and words as units of measurement (Kassarjian, 1977) and formulated exhaustive and mutually exclusive categories. Face validity was then assessed in order to objectively review the categories identified and their relevance with consumer ethnocentrism. Following the operationalisation, the researcher developed the coding schemes, namely the codebook and coding form. The codebook provided a detailed account of the categories developed, with full explanations of the meaning of each category and measure where needed. This approach conforms to the suggestions made by Neuendorf (2002). On the other hand, the coding form provided a summary of the major findings for each respondent with respect to the identified codes.

3.3.2.4 Establishing Objectivity and Reliability in Coding

Drawing from Kolbe's and Burnett's (1991) coding quality criteria, issues of objectivity and reliability were addressed at this final stage of the exploratory research. The researcher employed two pairs of PhD students, to whom she randomly distributed the interviews. Nine interviews were given to the first pair of coders and the remaining ten were given to the second pair of coders.

Objectivity is associated with '*the process by which analytical categories are developed and used*' (Kolbe and Burnett, 1991). According to Kolbe and Burnett (1991) objectivity is demonstrated through five elements:

- a) Rules
- b) Judge training

- c) Measure Pretesting
- d) Judges and researchers perform coding independently
- e) Judges perform coding independently

Taking into consideration the above requirements, emphasis was first placed on providing operational definitions for the categories. The operational definitions are a crucial element of objectivity due to the fact that they assist the coders in implementing their task more effectively and most importantly more objectively. The definitions were included in the codebook and every effort was made in order to remove vagueness from categories and their measures. Additionally, training sessions were organised in order to explicitly explain the coder task to each pair of students and agree on the coding of the variables. The researcher used one interview as an example to allow the coders to have some practical experience with the coding. The same interview was used for both sessions in order to minimise bias. Pretesting of the measures – Neuendorf (2002) refers to this stage as pilot reliability – assessed the reliability of each category and its measures. At this stage, the coding was performed by the coders on an independent basis. Pilot coding indicated some problems with some variables and revisions were made to address these problems. The final coding was performed by the coders again on an individual basis.

Reliability was then assessed to demonstrate the high quality of the qualitative data. Aforementioned, the conflicting views of qualitative scholars were emphasised, shedding more light on the two opposing views that have divided scholars within the field of qualitative research; the parallelism of qualitative and quantitative quality criteria and the clear distinction of quantitative and qualitative reliability and validity approaches. The nature of the qualitative approach within the context of this thesis and

the implementation of content analysis directs the researcher towards criteria that are more similar to those used in quantitative research. However, it is the researcher's belief that parallelism of validity and reliability criteria is not applicable to all research settings. As Angen (2000) and Whitemore *et al.* (2001) aptly state, the context of the research determines the use of the appropriate quality techniques.

Within the context of this research and after having applied content analysis, it was decided that quantitative quality criteria could be a useful guide for establishing reliability of qualitative findings. Therefore, legitimacy of the interview findings was demonstrated through quantification of the interview content and the use of independent coders as a means of demonstrating unbiased, reliable findings. Through the comparison of the coding implemented by the two pairs of coders and the researcher, intercoder reliability coefficients (simple agreement and Scott's pi) were gauged and coding reliability was established. Following the intercoder reliability assessment, items were then developed based on interview and literature review findings.

3.3.3 Item Generation and Questionnaire Development

Various studies have addressed and provided guidelines with respect to generating the first pool of items. Following Netemeyer *et al.*'s (2003) suggestions, multidisciplinary literature review, experts, and interviews with the targeted population provided the foundations on which the consumer ethnocentrism items were developed. It is interesting to note that all the relevant sources have heavily emphasised the importance of overinclusiveness and item redundancy in this first stage (Clark and Watson, 1995; De Vellis, 2003; Netemeyer *et al.*, 2003). Simply put, developers are encouraged to

include as many items as possible at this stage and include similar statements in order to assess their relevance to the targeted construct. After having defined the boundaries of the construct in a broader context, items included in the pool may be only tangentially or even unrelated to the construct. The overinclusiveness proposed by scholars has forced DeVellis (2003) to emphasise that it might be the case where the initial pool of items is three or four times larger than the final scale. In line with scholarly suggestions for a large initial item pool (DeVellis, 2003; Netemeyer *et al.*, 2003) to capture the content of multifaceted constructs, the consumer ethnocentrism item pool consisted of 206 items, designed to tap seven dimensions. These items were designed to capture different dimensions of the construct and addressed concepts that were drawn from domains such as political psychology, social psychology and sociology.

When designing the items, the researcher was confronted with another great debate within the questionnaire design literature. In particular, while several scholars have advocated the use of positively and negatively worded items to prevent data contamination, such as acquiescence or 'yea-saying' (Churchill, 1979; Comrey, 1988; DeVellis, 2003; Netemeyer *et al.*, 2003), others have objected to the use of this technique (Herche and Engelland, 1996). For example, Comrey (1988) has suggested the use of half positively worded items and half negatively worded items within the same instrument, while Herche and Engelland (1996) have provided sound evidence for the negative impact of reversed-polarity items on unidimensionality. Specifically, in three surveys conducted with three different measurement instruments, when negatively and positively worded items were used, researchers found degradation in unidimensionality, with two factor models providing better fit indices. Additionally, DeVellis (2003) has referred to the problem of respondent confusion when using both

negatively and positively worded items. Contrary to these concerns, the meta-analysis implemented by Churchill and Peter (1984), reviewing a total of 154 measures, indicated lack of a relationship between reverse scoring and reliability estimates, providing empirical evidence encouraging the use of positively and negatively worded items. Appreciating the benefits of reversed-polarity items, which were shown not to be achieved at the expense of reliability, the researcher included both negatively and positively worded statements tapping all the identified dimensions of consumer ethnocentrism.

3.3.3.1 Developing the Questionnaire: Response Format and Number of Response Categories

Subject-centred scales reflect differences among subjects with regard to the scale's dimension and they are generally developed using the Likert method (Dawis, 1987). After running some tests, Komorita (1963, cited in Cox, 1980), argued that Likert scales should primarily be used in order to illustrate the content of an attitude rather than its intensity. Put simply, Likert scales are thought to provide better insights into the ingredients of an attitude. This type of scale normally requires from respondents to indicate their level of agreement with a specific statement. Likert scales are preferred by scale developers because they are easy to construct and administer (Malhotra and Birks, 2000). From the respondents' point of view, Malhotra and Birks (2000) argue that this format is easily understandable and participants immediately know how to use this scale. Contrary to its strengths, the Likert scale is also associated with greater response times because participants have to read and fully understand each statement before they assess their agreement/disagreement (Malhotra and Birks, 2000). Taking into account that the

new consumer ethnocentrism scale is a subject-centred scale, the Likert response format was decided to be used (Dawis, 1987). Additionally, its strength with regard to depicting the contents of attitudes was perceived as essential for the purposes of this thesis.

Having determined the format of the measurement, the next consideration relates to the number of response categories that will be included in the instrument. Generally speaking, some scholars discourage developers from using a high number of responses due to the fact that this could have an adverse impact on the scale's validity (Clark and Watson, 1995; Lishner *et al.*, 2008; Netemeyer *et al.*, 2003). Threat to validity could be explained by the fact that too many response options might result in participants' failure to clearly distinguish between the different options. In contrast, when too few points are used, then the researcher might fail to detect experiential differences (Lishner *et al.*, 2008). When it comes to reliability, Churchill and Peter's review of 154 measures (1984) illustrated a positive relationship between scale points and reliability estimates. This result is explained by the increased variance achieved by the increased number of scale points. Dawes (2008) draws upon the differences among 5-point, 7-point and 10-point scales, in order to empirically illustrate if the data characteristics change according to the number of the scale points used. The results have shown a difference among the three formats only in respect to the mean scores, with the 10-point scale producing lower mean scores. However, only very little, insignificant difference was observed among the three formats under investigation in terms of standard variations, kurtosis and skewness. These results provide sound evidence for the use of all 5-point, 7-point and 10-point formats as comparable data generators. In line with the above, Comrey (1988) suggests that, when agreement is measured, developers should include at least five response categories to allow for sufficient response distribution. Using his own

experience in scale development procedures, Comrey (1988) argues that a seven point response scale is optimal. Indeed, a review of the relevant literature indicates that seven response alternatives are the most common choice of investigators (Cox, 1980). Netemeyer *et al.* (2003) argues that for each project, five or seven point formats suffice. The above evidence was used to conclude that a seven-point scale would be used for respondents to indicate their level of agreement (Comrey, 1988; Cox, 1980; Netemeyer *et al.*, 2003).

The seven point scale decided to be used for the purposes of this research implies that the respondent is given the choice of a 'neutral' response. The problem that arises from the use of a middle point concerns the wording of this point. For example, when 'neither agree nor disagree' is included, participant expresses an apathetic interest to the topic. Contrary to that labelling, when 'agree and disagree equally' is used, the participant wishes to articulate an equal attraction to both agreement and disagreement (Clark and Watson, 1995; DeVellis, 2003). Saunders *et al.* (2000) suggest that 'not sure' should be used as the middle point due to the fact that this phrase is associated with less threat than the 'do not know' one, where the respondent is forced to admit ignorance. Thus, the 'not sure' option was decided to be pursued based on the literature illustrating this option as least threatening to respondents.

3.3.4 Content Validity

After the development of 206 items, judges were recruited in order to assess content validity. In addition to assessing content validity, expert judgment allows for the identification of items that need to be deleted or refined. Interestingly, although the use

of judges is considered to be essential for establishing content validity (De Vellis, 2003; Netemeyer *et al.*, 2003), Hardesty and Bearden (2004) have noticed that from the two hundred scales reviewed by Bearden and Netemeyer (1999) only 19.5 percent reported the recruitment of judges. The researcher opted for reviews from experts in the field and thus, contacted several researchers who have extensively published in the domain of consumer ethnocentrism.

Appreciating the volume of the work required to review 206 items, the researcher decided to divide the item pool into two sections, the first one addressing the first four and the second the remaining three dimensions of the consumer ethnocentrism domain. Both questionnaires included the definitions of the consumer ethnocentrism facets in order to enhance comparability of the results.

The literature search has illustrated that there is no common rule with respect to the number of judges required for content validation. In fact, a comparison of relevant scholar positions on this topic, brought to light a great variance of arguments. To give an indication of the various opinions expressed, the researcher discusses only a few examples of the variation she encountered. The review of the two hundred marketing scales from Bearden and Netemeyer (1999) showed that the average number of judges used is ten. Lynn (1986) on the other hand, suggests that minimum of five judges should be recruited in order to control for chance agreement Netemeyer *et al.* (2003) argues that developers should aim at using as many judges as possible in order to allow detection of bad and marginal items. Taking into consideration this last argument, numerous consumer ethnocentrism experts were contacted to offer their views on the items' content validity. Subsequently, six judges for Questionnaire 1 (four published professors

and two advanced Marketing PhD students) and five judges for Questionnaire 2 (three published professors and two advanced Marketing PhD students) responded to the invitation and provided their assessments. Practical application of the expert recruitment confirmed the argument made by Lynn (1986), who held that the number of judges is determined by the number of people that researchers have access to.

The criteria used to assess the items included representativeness, relevance, specificity and clarity (Haynes *et al.*, 1995). However, the vast majority of the literature suggests the use of less complicated and less demanding forms of item assessment, including fewer criteria. DeVellis (2003) for example advocates the use of two criteria, namely relevance and clarity, Berk (1990) advocates the use of three criteria, including representativeness, appropriateness of the items for the targeted population and accuracy, while Zaichkowsky (1985) argues that the use of representativeness is sufficient to justify the items' retention or deletion. It was the researcher's belief that the four aforementioned criteria would better enhance content validity and provide sound justification for the decision of item retention or deletion. In addition to the four criteria used to judge the items, the judges were also asked to assess the overall measure's comprehensiveness (Grant and Davis, 1997), after presenting them with all the identified dimensions.

3.3.4.1 Content Validation Analysis

As the scale development process is enhanced with new scientific techniques, the necessity to acknowledge the raters¹ as a potential source of measurement error becomes evident. In particular, scale developers in our days strive for rater reliability by adopting methods that allow them to identify and eliminate the biased raters as well as control for chance agreement. Following the developments on scale construction, several approaches have been introduced in order not only to assess the agreement levels among the raters but, in addition to that, to eliminate those ones who could be a source of data contamination and consequently enhance scale's reliability.

Taking into consideration the above issues, the researcher acknowledged the need to carefully examine each rater in order to identify the so called rater association. The rater association examines the levels of convergence of the factors that raters consider when they encounter the construct investigated. Uebersax (1993) suggests the use of latent structure analysis, arguing that all raters should be highly correlated with the same, latent factor. The latent factor could be very close to the true factor that each researcher investigates but it is safer to define this common factor as the experts' shared perception of this construct. In this sense, by employing a one factor analysis, high factor loadings would indicate a reliable rater, a fact that implies that the associations this specific rater makes in relation to the construct are similar to those of the group. A low factor on the other hand signals an unreliable rater, who most probably misinterpreted the construct. The elimination of unreliable raters was followed by the examination of the agreement across the raters and for each of the rating criteria by the means of intraclass correlation

¹ The terms raters, experts and judges are used interchangeably as they represent similar concepts within this thesis.

coefficients (ICC). Intraclass correlation coefficients assess the rating reliability by comparing the variance of different ratings of the same judge with the total variance across all ratings and all judges. In simpler terms, ICC measures the *interobserver reliability* (Landis and Koch, 1977). Hence, low ICC signals poorly performing items. The ICC for this research indicated that there were items that did not perform satisfactory. The examination of descriptive statistics and more specifically the means and standard deviations, indicated the problematic items, which were subsequently deleted.

3.3.5 Instrument Pretesting

It is commonly accepted that the questionnaire design is one of the most fundamental factor of the survey's success. However, the pretesting of the instrument has been for a lot of years the least *scientifically rigorous* component of the survey process (Oksenberg *et al.*, 1991). It was until recently that the pretesting activities were rather simplistic (Krosnick, 1999) and researchers kept on relying on instruments that were associated with a number of problems, both from the side of the researcher as well as from the side of the respondent. For instance, the application of rigorous pretesting techniques by Oksenberg *et al.* (1991) uncovered significant problems with questions that were widely used in the health sector. Conventional pretests, where the instrument is administered to a representative sample of the target population, have been shown to be ineffective in detecting problematic questions and when compared to other pretesting techniques, have been found to be the least reliable (Presser and Blair, 1994). Conventional techniques lack the depth of the information required to identify problems that either respondents or interviewers face. Based on Presser's and Blair's work (1994), survey developers are

confronted with a wide array of problems, namely semantic problems - where misunderstandings of the questions occur-, general problems with the respondent task – where respondent faces difficulties with the retrieval of information or with formulating the response-, and finally, problems with the interviewer task – where the interviewer faces difficulties in posing some questions or recording a response.

The recent developments in the field of pretesting and the application of more sophisticated techniques have increased researchers' confidence in capturing the data that they would like to capture and have allowed the identification of all the aforementioned problems. More specifically, declared and undeclared pretests provide the means by which question problems and their sources could be identified. Researchers are encouraged to use declared pretests first, where respondents are asked not only to answer the questions but also to provide comments on the questions. Following the application of declared pretests, undeclared ones are suggested in order to assess the instrument's performance in the field (Czaja, 1998).

With respect to declared pretests, several techniques have been developed in order to address a wide variety of issues, which arise as a consequence of problems in the question design process. Czaja (1998) has identified ten different techniques, including both pre-pretesting activities, which take place prior to field pretesting, and pretesting techniques that take place in the field. Table 3.2 summarises the ten techniques and their main objectives. Existing literature provides comparative studies of some of these methods, giving researchers the opportunity to familiarise themselves with the methods available as well as their strengths and weaknesses.

In relation to self-administered questionnaires, the approach to pretesting the instrument does not vary significantly with the survey interview procedure. In particular, as Cjaza suggests (1998) pre-pretesting activities can be utilised in the same way as in the interviewer administered surveys. Focus groups and thinkalouds could provide the essential data for identifying instrument problems in the self-administered questionnaires. Additionally, field pretesting also follows the same rules and procedures as the interview surveys and includes follow-up interviews with probes and respondent debriefings. Methods not applicable to self-administered surveys include behaviour coding, interviewer debriefing, and computer assisted coding of concurrent protocols (Cjaza, 1998).

3.3.5.1 Design of Pretests

Considering the objectives and benefits of each method, the researcher decided on utilising a combination of pre-pretesting and field pretesting activities. To be more precise, thinkalouds were chosen as a method of identifying comprehension and recall problems. To minimise 'interruptive' effects, retrospective thinkalouds were preferred as opposed to concurrent ones, in order to enhance fresher thinking of the questions. Put differently, respondents were asked to read the questions and think of their answers immediately after having read each question. Thinkalouds were employed as a means of providing insights into the cognitive processes that respondents use to formulate their answers. The opportunity given to respondents to develop their thoughts aloud facilitates the identification of comprehension problems or problems associated with information recall. However, the 'artificial' environment, in which this procedure takes place, could be a possible source of data contamination, due to the fact that participants

answer the survey questions in a way that they are not used to (Czaja, 1998; Fowler, 2002).

To address these problems and complement the data obtained from thinkalouds, the researcher opted for field pretesting. Respondent debriefing was implemented in an attempt to shed more light on the problems identified through the thinkaloud technique. As Czaja and Blair (2005) have noted, thinkalouds are frequently complemented with probing due to that fact that respondents have to be reminded to keep talking. Validating this statement, the researcher had to use probes in order to ensure the continuous flow of the participants' thoughts. To be more accurate, the resulting technique is in fact a hybrid of the thinkaloud method and the intensive interviews (Czaja and Blair, 2005). Respondent debriefing also reveals comprehension problems (Campanelli *et al.*, 1991; Czaja, 1998; Czaja and Blair, 2005; Fowler, 2002) but provides greater depth in information obtained. In particular, respondent debriefing gives a researcher the opportunity to detect the sources of the problem, enabling him/her to gain a better understanding of what is wrong with specific questions or the total instrument. Following this path, the interviewer gained significant insights, which provided the foundations for revising some items/statements as well as the entire questionnaire (Czaja, 1998).

3.3.5.2 Sampling of Pretests

In total, twelve English consumers participated in the thinkalouds and respondent debriefings. Seventy-five percent of the participants were university students, a percentage explained by their high accessibility. Using a convenience sample at the

pretest stage is acceptable in academic literature because of the small numbers of participants involved and because population estimates are not a goal of the pretesting activities (Oksenberg *et al.*, 1991). Thus, the researcher opted for easily accessible respondents, using a convenience sampling technique.

3.3.6 Study I: Sampling

The next stage of the scale development procedure involved the first purification of the measure. Although scholars welcome the use of convenience sample at this early stage of scale development (Netemeyer *et al.*, 2003; DeVellis, 2003), the design of this study was enhanced through the use of a more representative sample. In support of this decision, Clark and Watson (1995) argue that choices concerning the '*empirical and conceptual development of the scale*' are benefited from the use of a large and heterogeneous sample. Thus, the target sample for this study consisted of English consumers, with heterogeneous characteristics.

To satisfy these sampling criteria, the administration of this survey was decided to take place in a major shopping centre in Birmingham, engaging in a variation of the mall-intercept technique. Being in the city centre and strategically located above the busiest train station in Birmingham, this shopping centre was considered the most suitable site for approaching English consumers, without compromising diversity. By connecting Birmingham with all English regions and serving over thirty-one million passengers a year (Birmingham New Street Data)², the train station was a site that would ensure diversity and a significantly high number of passing people. Indeed, the selected

² Available from: <http://www.networkrail.co.uk/aspx/779.aspx>

shopping centre that lies above the train station has an average footfall over the year of 400,000 per week (The Pallasades Shopping Centre Data)³, which justifies the selection based on visits and respondent diversity considerations.

In line with Blair's (1983) suggestions to augment quality of the sampling, location sampling differences and time sampling issues were addressed in the design and implementation of data collection. In particular, two different locations of the shopping centre were targeted during the morning as well as the afternoon. Data collection took place both at weekdays and weekends, in mornings and afternoons to further enhance heterogeneity of the sample.

The limitation of the sampling procedure followed lies in the fact that people who use this train station for their everyday commuting needs as well as people who frequently shop in the specific shopping centre are over-presented in the sample. To address this problem, Sudman (1980) called researchers to inversely weight their data by the number of visits. For example, persons who visit the shopping centre once a week will weight one, the ones who visit it twice will weight $\frac{1}{2}$ etc. Yet, due to the fact that questionnaires were not completed in the shopping centre, the researcher had no control over the responses received.

³ Available from: <http://www.thepallasades.co.uk/about/corporate.php>

Table 3.2: Pretesting Techniques and Objectives

| | Pretesting Techniques | Objectives |
|---------------------------|--|---|
| Pre-Pretesting Activities | <i>Focus Groups</i> | <ul style="list-style-type: none"> ▪ Understand how respondents define key words and phrases. ▪ Determine whether respondents interpret questions the way that the researcher intends. ▪ Generally assess respondent's ability to perform required tasks. ▪ Acquire information about the wording of the questions. |
| | <i>Intensive Individual or Cognitive Interviews:</i> Thinkalouds Special Probes Including: -Comprehension Probes -Information Retrieval Probes -Probes to evaluate Response Choices | <ul style="list-style-type: none"> ▪ Identify problems in question comprehension, consistent interpretation or misinterpretation. ▪ Identify questions which respondents fail to answer accurately. ▪ Evaluate Close-Ended Response Alternatives. ▪ Acquire information useful for revising the questionnaire or specific questions. |
| | <i>Response Latency</i> | <ul style="list-style-type: none"> ▪ Identify complex questions or questions that are difficult to understand. ▪ Measure Attitude Strength. |
| | <i>Computer-Assisted Coding of Concurrent Protocols*</i> | <ul style="list-style-type: none"> ▪ Determine respondent comprehension, information retrieval, judgment and general response problems. |
| | <i>Expert Panel</i> | <ul style="list-style-type: none"> ▪ Identify potential problems regarding respondent comprehension and generally responses. ▪ Identify problems that interviewers could possibly face. ▪ Identify problems that might arise in the data analysis stage. ▪ Acquire information useful for revising the questionnaire or specific questions. |
| | <i>Questionnaire Appraisal Coding System</i> | <ul style="list-style-type: none"> ▪ Determine respondent comprehension, information retrieval, judgment and general response problems. ▪ Identify problems that interviewers could possibly face. ▪ Identify problems that might arise in the data analysis stage. ▪ Acquire information useful for revising the questionnaire or specific questions. |
| Filed Pretesting | <i>Respondent Debriefing</i> | <ul style="list-style-type: none"> ▪ Identify problems in question comprehension, consistent interpretation or misinterpretation. ▪ Identify questions which respondents fail to answer accurately. ▪ Evaluate Close-Ended Response Alternatives. ▪ Acquire information useful for revising the questionnaire or specific questions. |
| | <i>Interviewer Debriefing*:</i> -Group Discussion of Field Pretest Experiences and Questions. -Use of Rating Forms. -Group Discussion of Behaviour Coding Results | <ul style="list-style-type: none"> ▪ Identify problematic interviewer instructions, incorrect skip patterns, inadequate space to record answers and typographical errors. ▪ Identify questions that are awkward or difficult to read. ▪ Evaluate Respondent Interest ▪ Acquire information useful for revising the questionnaire or specific questions. ▪ Identify problems with sampling. |
| | <i>Behaviour Coding*</i> | <ul style="list-style-type: none"> ▪ Identify problematic questions based on the frequency of deviation from the ideal model of interviewing. |
| | <i>Vignettes</i> | <ul style="list-style-type: none"> ▪ Assess the impact of different wording on the respondent's interpretation of the question. ▪ Identify concepts that respondents interpret differently from researchers. |

* Techniques Unsuitable for Self-Administered Questionnaires

Source: Adapted from Czaja, R. (1998)

3.3.7 Study I: Data Collection

Data were collected within a period of three weeks. A variation of the widely used mall intercept technique was followed, where consumers were randomly approached and asked for their cooperation. Upon their agreement they were given the questionnaire with a self-addressed, prepaid envelope for mailing their answers. The size of the questionnaire was restrictive and thus, completion of the survey at the same time with the administration was not viable. In total, 2,400 people were approached, 1,133 of whom agreed to participate in the study (47 percent). Finally, 206 completed questionnaires were received and two were eliminated due to extensive missing values, resulting in 18 percent response rate. Verlegh (2007) reported a response rate of 42 percent in his study of consumer evaluations in the Netherlands pursuing this mall-intercept variation, which is much higher than the one obtained for this study in Britain. Explanations for the relatively low response rate could be found in the size of the questionnaire (Dillman, 2007) and the absence of a follow-up procedure. Dillman *et al.* (1995) have illustrated that when a reminder letter was sent to the target audience, the response rate increased by eight percentage points. The design of the data collection for this stage made impossible the use of reminder letters, due to the fact that respondents who agreed to cooperate remained anonymous and no correspondence address was required from them at the time of administration.

3.3.8 Study I: Analysis

As a preliminary step, item-to-total correlations per dimension were first used in order to reduce the items to a more manageable number. Items that failed to load significantly to their intended factor were eliminated from further analysis. The remaining items were

then subjected to EFA. In general, developers opt for this method, when there is limited theory and empirical evidence of the dimensionality of the construct (Gerbing and Anderson, 1988; Netemeyer *et al.*, 2003). Exploratory factor analysis is primarily used to identify underlying dimensions of the latent construct (Floyd and Widaman, 1995) and to reduce data. Yet, the relevant literature cautions researchers that as useful as this tool can be as a preliminary test of dimensionality, it cannot provide a solid structure of the construct's dimensions.

Within the context of this research and consistent with the relevant literature, EFA was employed at this exploratory stage in order to further reduce the number of items and gain a holistic picture of the factors that underlie those items. Taking into consideration that the items developed were outcomes of extensive exploratory research, the factor structure proposed by EFA was anticipated (Hair *et al.*, 1998).

3.3.9 Studies II and III: Sampling

3.3.9.1 Mail Surveys

The second consumer study aimed at further purifying the measure and reaching to the final scale, while the third study was used for replicating the results. The two studies were conducted simultaneously in order to minimise time requirements. A large and representative sample was imperative for the purposes of these studies (Netemeyer *et al.*, 2003). Thus, a random sampling technique was used in order to enhance representativeness. In particular, a stratified cluster sampling technique was employed, where English regions were divided into wealthier and poorer according to their UK

share of Gross Value Added (Office for National Statistics, 2008) to form the two strata. In line with empirical evidence suggesting a significant impact of the economic development of each country on consumer ethnocentrism levels (Kaynak *et al.*, 2000; Leonidou *et al.*, 1999; Wang and Lamb, 1983), regional discrepancies in the economic development were also expected to significantly affect consumer responses to the questions posed. A decision was made to use GVA as a differentiating factor because it is now the preferred indicator by the Office of National Statistics for the overall economic well-being of an area (GVA Briefing Paper, 2006). According to the OECD definition, GVA measures the contribution to GDP made by an individual producer, industry or sector⁴. By providing GVA indicators per region, the Office of National Statistics provides quantifiable data for the economic development of each region. Consequently, GVA could be used as a distinguishing factor between poorer and wealthier regions so that comparisons of the observed consumer ethnocentrism levels could be made between the two groups.

The mean share of the English regions was calculated and the regions that had a GVA share above the mean were assigned to the wealthier stratum, while the ones that fell below the average share were assigned to the poorer stratum. Following this process, five regions were assigned to the poorer stratum and four regions to the wealthier stratum. Subsequently, three regions from each stratum and then one county per region were randomly selected. Table 3.3 includes the targeted regions and counties per stratum. The following steps involved the random selection of two postcode districts from each region using Royal Mail's Postcode Address Finder (PAF) database and following this, random selection of 75 addresses from each postcode district. In total,

⁴ Glossary of Statistical Terms, Available from: <http://stats.oecd.org/glossary/detail.asp?ID=2839>

800 questionnaires for Study II and 800 questionnaires for Study III were distributed using this sampling technique.

3.3.9.2 Online Surveys

A literature review on the sample size required for CFA indicated that a minimum of 200 responses (Hinkin, 1995; Schumacker and Lomax, 2004) should be obtained to achieve a robust solution. Thus, targeting at 200 responses per version, the two questionnaires were then incorporated into an online survey. A permission based database of English consumers' emails provided the sample frame. The sample recruited for the online surveys were drawn from the same six regions and six counties as the mail sample. Although the recruitment of the online sample was based on the stratified cluster method performed for the mail survey so that comparability was enhanced, the researcher had no control over the identity and actual location of the respondents. Five thousand email addresses for Study II and five thousands email addresses for Study III were agreed with the service provider to be contacted. Two HTML email invitations were prepared and broadcasted on March 4, 2009. The invitations included a link to the questionnaire hosted by Surveymonkey.

Online surveys were preferred over alternative methods of data collection due to their association with shorter response rates and lower costs (Ilieva *et al.*, 2002; Malhotra and Birks, 2000). Additionally, the quality of the data yielded by online surveys is identical to the one of data attained by mail surveys (Deutskens *et al.*, 2006). A significant limitation of the online survey technique however is that not all consumers have equal

probabilities of being selected; those consumers who were not registered with the specific marketing service had zero probability of being included in the sample.

Table 3.3: Regions and Counties in the Sample

| | Region | County |
|----------------------|---------------|----------------|
| POORER STRATUM | South West | Dorset |
| | West Midlands | Herefordshire |
| | North East | Northumberland |
| WEALTHIER STRATUM | South East | Kent |
| | North West | Cheshire |
| | East Anglia | Suffolk |

3.3.10 Studies III and IV: Data Collection

3.3.10.1 Mail Surveys

The mail survey took place during January and February 2009. Respondents received a cover letter, explaining the purpose of the research and the significance of their cooperation, a copy of the questionnaire and a second-class self addressed prepaid envelope for mailing their answers. Follow up mailing was considered but not pursued. Time and monetary requirements for the follow up procedure prevented the researcher from pursuing this technique. Consistent with Larson and Chow's suggestions (2003) for survey administration when there is limited amount of time, it is decided to use monetary incentive in the form of vouchers rather than follow up mailings. Therefore,

participants were offered the chance of winning two £30 vouchers of a major department store.

The response rate achieved was 13.5 percent for Study II and 12 percent for Study III (Table 3.4). Dillman *et al.*'s study (1993) has indicated a drop in response rate of 4.6 percent due to increased questionnaire length, which partly explains the seemingly low response rates for the two studies. Black and white questionnaire copies and depersonalised correspondence (Dillman, 2007) were also possible reasons for the response rates attained by the mail survey method.

3.3.10.2 Online Surveys

The two online surveys were hosted by SurveyMonkey for a period of two weeks. In line with Deutskens *et al.*'s (2004) suggestions to enhance response rates, participants had the chance of winning one of two vouchers of £30 for a major department store. In this case, reminder emails were sent out due to the fact that no extra cost incurred for the researcher. Thus, a week later than the first broadcast, consumers received a reminder email, encouraging them to complete the survey (Deutskens *et al.*, 2004). The resulting response rate was 5.4 percent for Study II and 4 percent for Study III (Table 3.4). Similar response rates have been presented in published research (Christodoulides *et al.*, 2006; Grandcolas *et al.*, 2003).

Table 3.4: Response Rates for Studies II and III

| | Postal Survey (n) | Online Survey (n) | TOTAL (n) |
|------------------|-------------------|-------------------|--------------|
| Study II | 108 (13.5%)* | 161 (5.4%)* | 269 (251) ** |
| Study III | 96 (12%)* | 121 (4%)* | 217 (207) ** |
| TOTAL (n) | 204 (187)** | 282 (269) ** | 486 (458) ** |

*Percentages in parentheses represent Response Rates

**Figures in parentheses represent sample size after the elimination of questionnaires due to extensive missing data.

Several issues arising from the online survey administration could explain the low response rate. Online surveys are generally suggested when the quantity of data required is moderate (Malhotra and Birks, 2000). Consistent with this statement, Saunders *et al.* (2000) suggest that online surveys are suggested when few ‘screens’ of the online format of the survey are required. Therefore, it could be argued that the lengthy online questionnaires with multiple ‘screens’, developed for Studies II and III, could have had an adverse impact on the response rates. A second explanation for the low response rates could be found in the email overload internet users face every day. Considering that on average, people spend 52 hours per year to sort out their junk mail (Limberg, 2008), it is anticipated that recipients would be reluctant to spend much time on each email and would delete emails based on their subject lines. Finally, the advanced spam filters could have prevented several emails from reaching the targeted consumers.

To ensure that the data elicited through the postal survey and the online survey was comparable, parametric t-tests were performed. The tests illustrated that for most of the items, there were no significant differences between the two groups (Tables 3.5, 3.6). The t-tests indicated that on the whole, attitudes of online and consumer samples do not differ significantly. A comparison of the means for both online and mail samples gives further support to this finding (Table 3.6). Significant values ($p < 0.05$) were observed for

nine of the items. Given that for the majority of the items (seventy-three percent) the test yielded insignificant values, the researcher concluded that the samples could be unified for both studies.

3.3.11 Studies II and III: Analysis

Confirmatory Factor Analysis (CFA) was implemented for both of the studies. As a response to EFA's failure to firmly establish unidimensionality, scholars have advocated the use of confirmatory factor analysis (CFA) as a concrete test of dimensionality. Confirmatory factor analysis assumes that a model is specified in advance, contrary to EFA, where the researcher embarks on the analysis with limited knowledge about the structure and the underlying dimensions of the core construct. As Gerbing and Anderson (1988) have noticed, CFA is needed in order to evaluate and refine the scales that have been generated. A fundamental advantage of CFA is that it is a technique that not only allows the assessment of model fit, but, in addition to that, it permits systematic comparison of alternative factor models (Floyd and Widaman, 1995; Smith and McCarthy, 1995).

Before embarking on Confirmatory Factor Analysis, data was examined to indentify the nature of 'missingness' and decide on the method to address this issue. SPSS was used and Little's MCAR test was performed to decide whether the data were missing completely at random (MCAR). The test was significant ($\chi^2=2545.28$, $df=2347$, $p<0.005$), indicating that the data was not missing completely at random. The next step involved the investigation of the p values in the Separate Variance t-Test table. If $p<0.05$, missing cases in the row variable are significantly correlated with the variable

in the column, signalling that are not missing at random (MAR). The test indicated that the vast majority of the missing cases (observed in 25 variables or 76 percent) were MAR. Considering that the sample size was large enough for CFA and since the majority of the data was MAR, listwise deletion was implemented (Howell, 2008). Thus, cases that included missing values were eliminated from subsequent analysis. In total, 28 cases were deleted (Table 3.4).

Table 3.5: t-Tests for the Mail and Online Samples

| <i>Item</i> | <i>F</i> | <i>t-value</i> | <i>p (2-tailed)</i> | <i>Item</i> | <i>F</i> | <i>t-value</i> | <i>p (2-tailed)</i> |
|-------------|----------|----------------|---------------------|-------------|----------|----------------|---------------------|
| 1 | 3.45 | 0.18 | 0.86 | 18 | 5.10 | -2.67 | 0.01 |
| 2 | 1.03 | 0.74 | 0.46 | 19 | 0.10 | 1.34 | 0.18 |
| 3 | 1.93 | 0.16 | 0.88 | 20 | 2.15 | -1.96 | 0.06 |
| 4 | 0.87 | 2.24 | 0.03 | 21 | 3.97 | 2.79 | 0.01 |
| 5 | 1.96 | -1.58 | 0.11 | 22 | 1.13 | 1.60 | 0.11 |
| 6 | 11.98 | -0.64 | 0.52 | 23 | 0.05 | 1.35 | 0.18 |
| 7 | 0.01 | 0.71 | 0.48 | 24 | 0.87 | 1.97 | 0.06 |
| 8 | 0.01 | 1.97 | 0.06 | 25 | 0.05 | 1.98 | 0.05 |
| 9 | 0.25 | 1.89 | 0.06 | 26 | 3.65 | 0.23 | 0.82 |
| 10 | 1.80 | 1.06 | 0.29 | 27 | 3.46 | 2.53 | 0.01 |
| 11 | 0.34 | 2.16 | 0.07 | 28 | 0.32 | 2.37 | 0.02 |
| 12 | 0.17 | 1.68 | 0.09 | 29 | 0.12 | 1.31 | 0.19 |
| 13 | 0.89 | 2.32 | 0.02 | 30 | 7.83 | 2.24 | 0.03 |
| 14 | 0.69 | 2.43 | 0.02 | 31 | 0.07 | 1.94 | 0.06 |
| 15 | 3.07 | 0.00 | 1.00 | 32 | 0.86 | 0.75 | 0.45 |
| 16 | 5.54 | -0.49 | 0.62 | 33 | 0.04 | 1.09 | 0.28 |
| 17 | 3.45 | 5.92 | 0.55 | | | | |

Table 3.6: Means and Standard Deviations (SD) for the Mail and Online Samples

| <i>Mail Sample</i> | | <i>Online Sample</i> | | | <i>Mail Sample</i> | | <i>Online Sample</i> | | |
|--------------------|-------------|----------------------|-------------|-----------|--------------------|-------------|----------------------|-------------|-----------|
| <i>Item</i> | <i>Mean</i> | <i>SD</i> | <i>Mean</i> | <i>SD</i> | <i>Item</i> | <i>Mean</i> | <i>SD</i> | <i>Mean</i> | <i>SD</i> |
| 1 | 4.23 | 1.2 | 4.26 | 1.86 | 18 | 3.95 | 1.92 | 3.83 | 1.73 |
| 2 | 3.34 | 1.86 | 3.46 | 1.71 | 19 | 3.02 | 1.70 | 3.23 | 1.65 |
| 3 | 3.51 | 1.65 | 3.53 | 1.50 | 20 | 4.14 | 1.75 | 4.11 | 1.63 |
| 4 | 3.78 | 1.83 | 3.92 | 1.75 | 21 | 2.21 | 1.25 | 2.56 | 1.38 |
| 5 | 3.73 | 1.80 | 3.47 | 1.66 | 22 | 3.63 | 1.62 | 3.87 | 1.57 |
| 6 | 2.89 | 1.83 | 2.78 | 1.57 | 23 | 2.84 | 1.52 | 2.91 | 1.51 |
| 7 | 3.91 | 1.71 | 4.03 | 1.70 | 24 | 3.27 | 1.53 | 3.34 | 1.54 |
| 8 | 1.94 | 1.41 | 2.01 | 1.35 | 25 | 2.70 | 1.66 | 2.81 | 1.66 |
| 9 | 2.75 | 1.65 | 2.93 | 1.68 | 26 | 4.41 | 1.72 | 4.45 | 1.55 |
| 10 | 4.34 | 1.67 | 4.48 | 1.57 | 27 | 3.62 | 1.75 | 4.03 | 1.64 |
| 11 | 3.04 | 1.66 | 3.10 | 1.57 | 28 | 4.13 | 1.65 | 4.49 | 1.61 |
| 12 | 1.90 | 1.22 | 2.09 | 1.21 | 29 | 4.02 | 1.80 | 4.24 | 1.75 |
| 13 | 2.52 | 1.54 | 2.88 | 1.64 | 30 | 4.58 | 1.68 | 4.72 | 1.48 |
| 14 | 2.38 | 1.44 | 2.72 | 1.51 | 31 | 3.97 | 1.61 | 4.09 | 1.62 |
| 15 | 2.63 | 1.58 | 2.63 | 1.41 | 32 | 4.27 | 1.76 | 4.39 | 1.67 |
| 16 | 2.89 | 1.72 | 2.82 | 1.55 | 33 | 2.18 | 1.39 | 2.32 | 1.46 |
| 17 | 3.01 | 1.70 | 3.10 | 1.54 | | | | | |

CFA for Study II was utilised as a means of further reducing the number of items and reaching to the final scale. In order to assess the final scale, several fit indices were reviewed. Although the chi-square fit statistic gained significant attention during the early days of Structural Equation Modeling, its significance is now challenged due to its tendency to indicate significant differences between the data and the model when large sample sizes are recruited. Therefore, for the needs of assessing model fit within this study, different absolute and comparative fit indices were reviewed. The measurement model suggested by EFA produced poor model fit and therefore, respecification was pursued based on modification indices and parameter change estimates. Convergent validity was established through the use of the average variance extracted (AVE) threshold of .50 (Fornell and Larcker, 1981). In addition, discriminant validity was tested through three different tests; the squared correlations among the dimensions compared with the individual AVEs of the dimensions (Fornell and Larcker, 1981); the

examination of the correlations between all dimensions and their confidence intervals (Gerbing and Anderson, 1988); the comparison of the suggested model with alternative models with fewer factors (Bagozzi *et al.*, 1991).

Study III consisted of a replicated CFA procedure to empirically establish the stability of the scale. Thus, fit indices were once again assessed and found to be satisfactory, indicating a stable measure. Nomological validity was examined through the correlations and hierarchical regressions of the CEESCALE with measures that were indicated by theory to have a relationship with the extended consumer ethnocentrism. Validation measures were included in Studies I, II and III. Including already established scales as part of the scale development process in order to provide further evidence of validity is a technique that is supported and pursued within the marketing literature (Bearden *et al.*, 2001; Netemeyer *et al.*, 2003; Spector, 1992). Table 3.7 provides a summary of the validation scales used within each study.

Moreover, predictive validity was examined and compared with CETSCALE. To satisfy this objective, in addition to established scales, the researcher developed six pairs of domestic and foreign brands across four product categories (white goods, small electrical appliances, clothing and automobiles). Four filler questions were also included in this section to suppress the real objectives of the study and prevent any bias. Many scholars (Smith *et al.*, 2003; Hunsley and Meyer, 2003), encouraged researchers to use hierarchical multiple regression to test for incremental validity and thus, determine the contribution of a specific measure to the prediction of a given criterion. Smith *et al.* (2003) advocate the use multiple regression at the facet level for the purposes of prediction (incremental validity). Following the scholarly recommendations, predictive

validity of the CEESCALE was compared with the one of the CETSCALE using hierarchical regressions both at the facet and total measure level.

Table 3.7: Validation Measures

| | Ethic Self-Categorisation (Adapted from Karasawa, 1991) | Social Desirability Bias (Ray, 1984) | Interpersonal Influence (Bearden <i>et al.</i> , 1989) | Conservatism (Ray, 1983) | Reluctance to Buy Foreign Products (Suh and Kwon, 2002) | Six Pairs of Domestic and Domestic Brands ⁵ | CETSCALE (Shimp and Sharma, 1987) | Ethics Position (Forsyth, 1980) | Consumer Cosmopolitanism (Riefler and Diamantopoulos, 2008) | Product Judgment (Adapted from Darling and Arnold, 1988) |
|-----------|---|--------------------------------------|--|--------------------------|---|--|-----------------------------------|---------------------------------|---|--|
| STUDY I | ✓ | ✓ | | | | | | | | |
| STUDY II | | | ✓ | ✓ | ✓ | ✓ | ✓ | | | |
| STUDY III | | | | | | | | ✓ | ✓ | ✓ |

3.4 Conclusion

This chapter provided a detailed delineation of the procedures undertaken for the development of the CEESCALE. Several techniques were analysed and their underpinnings were explored in order to provide a rationalised argument for the choices

⁵ Developed by the researcher to Examine Predictive Validity.

made with regard to the procedures followed. Prior to the detailed methodology, the philosophical paradigms in research were introduced. Following the general description of the paradigms, this research was positioned within the postpositivism and critical theory paradigms. Starting with the quest for a contemporary dimensionalisation of consumer ethnocentrism, the subsequent chapter draws upon the major findings of the exploratory stage. The issue of coding reliability was first addressed in order to build confidence to the reader for the reliability of the qualitative findings and thus, the proposed consumer ethnocentrism dimensions.

CHAPTER FOUR:
QUALITATIVE RESEARCH FINDINGS: EXPLORING CONSUMER
ETHNOCENTRISM DIMENSIONS

4.1 Introduction

In line with Churchill's paradigm and the scale development process presented earlier, the next stage following the review of the literature, involved the investigation of the construct's content domain with the use of a relevant sample (Churchill, 1979). Therefore, in-depth interviews were conducted with English consumers to investigate the contemporary facets of ethnocentrism and build a comprehensive content domain for the subsequent development of the scale. The purpose of this chapter is to present the consumer ethnocentrism dimensions that were brought to light during the exploratory research. Prior to exploring the content domain through the qualitative findings, emphasis was placed on establishing coding reliability. Coding reliability was perceived as a vital step towards providing confidence to the researcher and the reader for the reliability of the codes/dimensions that emerged during the interviews. Thus, the first paragraphs of this chapter discuss the coding reliability results followed by a detailed analysis of the qualitative findings and the dimensionalisation of the extended consumer ethnocentrism.

4.2 Establishing Coding Reliability

As already developed in the methodology chapter, one of the main considerations with regard to the analysis of the qualitative data was the assessment of the reliability

of the coding performed by the researcher. Quantitative quality criteria were decided to be used in order to assess coding reliability. Following content analysis and the development of a number of codes, emphasis was put on providing a quantified form of reliability of the qualitative analysis.

In the context of content analysis reliability is termed intercoder reliability and involves the quantification of the agreement between the coders. Reliability is calculated based on the coding that the coders implement individually. Intercoder reliability coefficients provide quantified data illustrating the levels of agreement among the different coders and are calculated in two different stages; at the pretesting stage, and then at the final stage. High intercoder reliability illustrates that there is convergence in the coding of data, ensuring that categories are reliable. To calculate intercoder reliability for the purposes of this research, two pairs of Marketing PhD students were recruited. Definitions were included in the codebook to ensure consistency of the coding. Nine interviews were given to the first pair and the remaining ten to the second pair of coders. The coding results were then compared within each pair and the researcher.

To assess intercoder reliability, simple agreement and Scott's pi were pursued. Although simple agreement is a useful indicator of the levels of agreement in relation to the precise values assigned to a specific variable, this criterion does not account for chance agreement. Simple agreement is sensitive to the number of codes introduced; the lower the number of codes, the higher the probability of agreement occurring as a result of chance (Kolbe and Burnett, 1991). Therefore, in addition to simple agreement, the researcher used Scott's pi (π) to demonstrate reliability of the coding.

The levels of this value range from 0.00 (chance agreement) to 1.00 (perfect agreement). The formula used to calculate Scott's pi was:

$$\text{Scott's pi} = \frac{\% \text{ of Observed Agreement} - \% \text{ of Expected Agreement}}{1 - \% \text{ of Expected Agreement}},$$

where expected agreement = $\sum p_i^2$ and p_i = each joint marginal proportion, while observed agreement represents simple agreement coefficient.

Low Scott's pi obtained at the pretesting stage necessitated the need for the revision of the codebook. Tables 4.1 and 4.2 below contain the simple agreement and Scott's pi coefficients gauged after the revision of the codebook. Coders 1-2 and 4-5 represent the employed Marketing PhD students and Coder 3 represents the researcher. The high values within those tables (0.81-0.94 for simple agreement and 0.81-0.87 for Scott's pi) support the reliability of the coding (Kassarjian, 1977¹; Kolbe and Burnett, 1991).

Table 4.1: First Group of Coders: Simple Agreement and Scott's pi (Based on the First Nine Interviews)

| | Coder 1 | Coder 2 | Coder 3 |
|----------------|----------------|----------------|----------------|
| Coder 1 | - | 0.81 0.81* | 0.88 0.87* |
| Coder 2 | 0.81 0.81* | - | 0.83 0.83* |
| Coder 3 | 0.88 0.87* | 0.83 0.83* | - |

* Scott's pi Reliability Coefficients

¹ Kassarjian (1977) suggests that researchers should be confident when reliabilities are above 85 percent. Values below 80 percent should cause concern. The values obtained were all very close to the suggested threshold.

Table 4.2: Second group of Coders: Simple Agreement and Scott's pi (Based on the Remaining Ten Interviews)

| | Coder 4 | Coder 5 | Coder 3 |
|----------------|----------------|----------------|----------------|
| Coder 4 | - | 0.89 0.89* | 0.94 0.89* |
| Coder 5 | 0.89 0.89* | - | 0.91 0.89* |
| Coder 3 | 0.94 0.89* | 0.91 0.89* | - |

* Scott's pi Reliability Coefficients

4.3 Exploring Consumer Ethnocentrism Dimensions

In-depth interviews were conducted as a means of providing better insights into the content domain of consumer ethnocentrism, focusing on the different facets of the construct. The interviews with English consumers allowed the researcher to explore in great depth the significance and current relevance of some of the dimensions addressed in past literature and identify new dimensions that were not captured in existing studies. The exploratory nature of the first stage of the scale development process aimed at providing a more comprehensive content domain through the investigation of the relevance of existing dimensions in contemporary markets and the enhancement with unexplored areas. The next paragraphs discuss the major findings of the qualitative research and draw some useful conclusions about the content and incidence of consumer ethnocentrism in a more contemporary context.

4.3.1 Affective Dimensions

Patriotism and National Identity: A plethora of published studies have placed great emphasis on patriotism as a significant driver towards consumer ethnocentricity. In particular, preference for domestic goods was explained by patriotic feelings and is conceptualised as a manifestation of love towards one's country (Shimp and Sharma, 1987). Several empirical studies within the consumer ethnocentrism domain have meticulously examined the relationship of this construct with patriotic and nationalistic sentiments (Balabanis *et al.*, 2001; Han, 1988; Lee *et al.*, 2003; Sharma *et al.*, 1995; Wall and Heslop, 1986). Already developed in literature, it is important to emphasise again the need to conceptually distinguish between patriotism and nationalism. Literature review and the careful delineation of the consumer ethnocentrism facets, point to the need to link consumer ethnocentrism with nationalistic sentiments or pseudopatriotism (Adorno *et al.*, 1950). This link is explained by consumer ethnocentrism's underlying assumption of outgroup rejection (Shimp and Sharma, 1987).

Within the context of this thesis, the questions of the in-depth interviews were designed in order to provide a better account of the meaning of patriotism in consumption patterns and the views people hold on unpatriotic behaviour and foreign goods' preference. When interviewees were asked about their perceptions of consumers who exclusively consume British products, the majority of them acknowledged that this behaviour is attributed to patriotic feelings and their desire to help the country. This finding confirmed the existing body of literature that presented patriotism as a facet of consumer ethnocentrism. However, most of the respondents emphasised that patriotic people are not only those who exclusively consume British

products; patriotic people could also be those who purchase foreign goods as well. This finding provides further evidence for the necessity to distinguish between the different types of ethnocentrism and the strength of consumers' devotion to domestic goods. Furthermore, it provides significant support for the distinction between nationalistic and patriotic sentiments and their impact on consumer ethnocentrism levels and types.

Useful insights into the meaning of patriotism are provided by the distinction that some of the respondents made between the true reasons behind the systematic consumption of domestic goods. Interview findings constitute a solid explanation for the necessity of broadening the investigation of motivations even more to include other concepts, such as nationalism and anti- attitudes. Some of the interviewees used the term patriotism with extreme care, in order to refer to actions that are taken only with the objective of helping the nation. These respondents distinguished patriotism from anti-foreign attitudes, which involve hostile feelings towards anything that is not British. The concepts used to describe such a consumer included nationalist, bigot, narrow-minded, radical. In the words of a male interviewee:

'Perhaps what I should say about people who tend to buy just British products [...] is that they tend to be anti- and against foreign people in this country, they tend to be the more radical people'.

Another respondent provided a clear distinction between patriotism and anti-foreign attitudes by stating that: *'it really depends on their reasoning for doing it. I mean yes you could say that they are being patriotic if they are doing it for the fact that they want to help the British producers, but then again if they are just doing it because*

they hate the foreigners, that's a different thing entirely'. This finding provides further validation to the different motivations and therefore, the variations of the phenomenon of consumer ethnocentrism.

The increased volume of international trade and the interdependence of nations across the globe were perceived as qualities that are beneficial for the nation. Supporting this argument, respondents argued that international trade is in fact an opportunity to benchmark British goods against the imported ones. A male interviewee emphasised this point by claiming:

'I think competition is always good. [...] Cadbury's have sort of being on a slide up and down over the last few years and there is a lot of other industries which produce chocolate but that doesn't mean that because they produce chocolate Cadbury's is going to go bust. Cadbury's is always going to keep trying to innovate, to bring out new products, new ideas. [...] So, we need competition'.

This is a novelty in the area of consumer ethnocentrism as it broadens the perspective of patriotism even further. Consistent with the literature, consumer ethnocentrism should now be linked with constructive and not blind patriotism (Schatz *et al.*, 1999). In-depth interviews illustrated that foreign products are not necessarily perceived as threats for the country, but, instead, they are welcomed on the grounds of quality-driven competition.

Interesting conclusions could also be drawn from the relationship between unpatriotic behaviour and consumption of foreign goods. In this case, the majority of the interviewees failed to see any link between unpatriotic feelings and foreign goods

preference. A small number of respondents stated that those who systematically consume foreign products are unpatriotic people, while a greater number held that it is not possible to draw conclusions about consumers who do not prefer the domestic produce. Two reasons have been identified as the main explanations of systematic consumption of foreign goods. First of all, people are constrained by their financial resources and are therefore forced to prefer foreign goods, which are traditionally cheaper than the British alternatives. According to one interviewee *'we have to look at their circumstances. I couldn't call them unpatriotic because I don't know what circumstances they are in, they may be on a low wage [...] And to automatically turn around and say "you are wrong for buying that", it's totally wrong you know'*. The second reason is associated with the quality of the domestic products, which, according to two of the participants is rather unsatisfactory. As one male interviewee claimed *'I don't think they are unpatriotic, I think at one time Britain got a reputation for goods that fell apart or didn't last, which, to be honest, is not good'*.

The use of social identity theory to explain consumer ethnocentricity makes evident the need to acknowledge national identity as a main aspect of consumer ethnocentrism. National identity could be seen as a component of patriotism, enhancing the explanatory power of patriotism even further. Past research showed that ethno-national identity promotes helping behaviour and increases willingness to purchase domestic goods (Olsen *et al.*, 1993). When a female interviewee was prompted to explain her feelings towards people who avoid British products, she stated that: *'I think that if they did it, if they deliberately did it and I think if they are British, then I think they are perhaps traitors to the British identity'*. In line with social identity theory, individuals are expected to enact an identity that conforms to

social norms and enhance categorisation and emotional attachment to the group (Tajfel, 1972). The words of the above respondent attest the support of British goods as an integral part of the British identity.

Summarising, exploratory research has indicated that patriotism remains one of the facets of consumer ethnocentrism, providing support to past literature (Han, 1988; Shimp and Sharma, 1987). Yet, consumers in our days were found to be less extremists in their views about foreign goods consumption when compared to the underpinnings of past conceptualisation. The evidence from the in-depth interviews indicated that although patriotism was accepted as a motivation towards preference of domestic goods, consumption of foreign products was not perceived as an unpatriotic act. Contrary to Shimp and Sharma's conceptualisation of consumer ethnocentrism back in 1987, buying foreign goods has been legitimised in our days. The exploratory inquiry into the relationship between patriotism and consumer ethnocentrism illustrated the need to link consumer ethnocentrism with constructive patriotism (Schatz *et al.*, 1999) and disassociate it with acts of foreign goods' rejection. Finally, national identity, an important aspect of patriotism, was found to constitute a vital component of consumer ethnocentrism, providing support to past empirical evidence (Olsen *et al.*, 1993).

Morality: The existing body of literature puts at the heart of consumer ethnocentrism's conceptualisation the notion of morality and moral duty. Shimp and Sharma (1987) have framed consumer ethnocentrism around the notion of morality and suggested that to an ethnocentric consumer, buying foreign goods is perceived as

immoral. The support of domestic products is linked with moral duty due to its association with acts that are likely to be helpful for the nation. Taking into consideration that ethnocentric sentiments are developed as means of promoting the economy and the national well being, support of domestic products is incorporated into the wider context of morality.

In order to provide a comprehensive content domain, the researcher concluded that the concept of morality in supporting domestic goods within contemporary markets required a re-visit. Changing international conditions and increased volume of imported goods were believed to have an impact on the meaning and the way in which morality is perceived within the consumption context. To satisfy this objective, respondents were asked for their opinions about the link of domestic goods' consumption with morality. The results showed a divergence from the meaning of morality as presented by Shimp and Sharma (1987) to a more realistic and practical view about domestic goods support. Indeed, only two of the respondents, which equates to almost eleven percent of the sample, held that support of domestic goods is a moral duty under all circumstances, providing support to the notion of morality as perceived by the already established literature. Although the majority of the respondents appreciated that there is a relationship between the support of the British goods and morality, their views now seem to be more flexible and less extremist when compared to the ideas derived from the consumer ethnocentrism conceptualisation. A number of interviewees emphasised that support of British goods should be perceived as a moral duty by British citizens. In the words of a female respondent,

'... it is moral issues that I try the companies, the industries that I do but I don't, I suppose I don't care deeply enough, maybe I should, to do it right across the board'.

According to another female interviewee: *'If we all lived of our own products and then sold our excess and stuff, but it doesn't work that way... That would be an ideal world. And that would keep everybody happy, keep us all running nicely and morally everybody would be sound.'*

Yet, the same interviewees who support the notion of preference for domestic goods as a moral duty, emphasise the need to perceive this moral duty as conditional. In support of this last statement, a female respondent claimed that *'I think probably yeah (perceive the support of domestic products as moral duty), to a certain degree. [...] If you can support them it's going to be good. If you can, then you should. I know that finances affect what you can buy'*. The issue of limited availability of domestic products was again raised and found to significantly affect the meaning of morality. According to a male respondent, *'we have to work with what we have got. I would, many years ago, I would agree with you (support of domestic goods should be perceived as modal duty). But now, I still agree with you, but you are swimming against the tide'*.

The shift of the meaning of human morality in decisions between foreign and domestic products is an innovation and implies that as time goes by and international trade increases in volume, people become more receptive towards foreign products. Thus, although the notion of moral duty is still relevant in consumer choices between foreign and domestic products, it is now perceived within a more realistic context, in which moral duty is conditional and is shaped by the perceived availability of domestic goods and by one's financial resources. This last finding gives support to

Nijssen's and Douglas's (2004) empirical results, which have indicated a positive evaluation of foreign goods when domestic alternatives were not available.

Altruism and Solidarity: The conceptualisation of consumer ethnocentrism expands more on the concept of morality and incorporates the notions of altruism and solidarity within the content domain of the construct. Drawing from the major implications of morality, solidarity and altruism constitute important aspects of consumer ethnocentrism. Considering that consumer ethnocentrism entails acts to embrace national welfare, the concepts of solidarity and altruism become inseparable features of the construct under investigation. Additionally, the literature review findings suggest that impure altruism acts in conjunction with pure altruism, motivating people to act towards the common good (Benabou and Tirole, 2004). Thus, impure altruism was expected to play an equally important aspect of consumer ethnocentrism.

During the interviews, helping behaviour towards the British workers was identified by most of the participants as a sound explanation for the support of the British products. This result complies with the major consumer ethnocentrism disciplines, which emphasise the role of altruism in developing ethnocentric tendencies (Hopkins and Powers, 2007; Shimp and Sharma, 1987). Most of the respondents suggested that solidarity towards the British workers could be manifested through the adjustment of consumption patterns and the increase of purchases of British goods. For example, the vast majority of participants emphasised their preference of domestic meat produce in order to help the suffering British farmers. However, this manifestation of solidarity

was not evidenced in all conditions. Consumers showed their solidarity only when domestic products were of reasonable quality and price. This implies that the dimension of solidarity of ethnocentric bias is conditional rather than unconditional as was conceptualised in earlier work. When asked about her willingness to sacrifice more money in order to support British goods, a female interviewee argued that this *'would depend how big the sacrifice is going to be. It depends how much is going to cost you'*. This finding confirms published empirical research, which indicates that willingness to help is affected by the perceived cost associated with helping (Olsen *et al.*, 1993).

The interviews brought to light significant evidence of impure altruism, working in parallel with pure altruism. These findings provide support to the theoretical evidence presented in the literature review. More specifically, exploratory inquiry revealed that impure altruism is an aspect of consumer ethnocentrism that has been overlooked in past studies. Respondents expressed their willingness to support British goods in an attempt to approach their ideal self image, confirming existing literature that highlight the emergence of pro-social behaviour as a result of the amalgamation of altruism, material self-interest, social image and self image (Benabou and Tirole, 2004). In the words of a female consumer, *'I really do like to buy some British stuff just to say I have done it.'* An indication of the way in which impure altruism operates in the context of international consumer behaviour is summarized in the expectations of domestic goods' support. In the words of a male interviewee, *'I expected British people to buy British pottery'*. Impure altruism was also evidenced in the importance of personal relevance with specific industries. For example, according to a consumer, *'we do always try to buy British made cars if we can and that's because my husband*

has been involved in the motor industry and we are trying to support, you know, what is quite a struggling industry'. When prompted to elaborate on her willingness to help the British workers, one of the interviewees stated: *'If it is personal to me. [...] If it was personal, then I would try to help people in every way I can'*. The findings of impure altruism within the consumer ethnocentrism domain confirm Balabanis *et al.*'s (2002) empirical evidence with respect to the effect of self-interest on ethnocentricity.

Concluding, altruism and solidarity were found to be significant aspects of the extended consumer ethnocentrism but with some variations in their meaning. Both these ethnocentrism facets were perceived as conditional, depending on the cost incurred from supporting British goods. Providing support to the interdisciplinary literature findings, impure altruism as driver towards consumer ethnocentrism was also evidenced through the interviews. Personal relevance and self enhancement issues were also found to give rise to ethnocentric sentiments.

4.3.2 Cognitive Dimensions

Cognitive Distortion: Framing consumer ethnocentrism around the major social identity theory implications provides a solid explanation of the significance of cognitive distortion within the consumer ethnocentrism content domain. The existing conceptualisation of the construct highlights the perceptions of ingroup superiority and outgroup derogation (Shimp and Sharma, 1987). Drawn from the basic principles of the social identity theory, consumer ethnocentrism is an outcome of the stereotypic associations consumers develop when comparing domestic with foreign products. In line with the literature reviewed earlier, the degree to which ingroup favouritism

automatically implies outgroup derogation is questionable (Brewer and Kramer, 1985; Reicher, 2004). In order to shed more light on the ratings of domestic goods, participants in this research were asked about their perceptions of British products.

Although the vast majority of the interviewees acknowledged the fact that they tend to rate British goods higher, none of the respondents was found to perceive British products superior across product categories. The overwhelming majority of the interviewees perceived British products superior to the foreign alternatives but only in certain product categories. For example, most of the respondents showed a preference for British food products due to their perception of them being fresher than the imported goods. This finding gives support to past studies that indicated the need to acknowledge product type and product category differences as significant determinants of consumer ethnocentrism levels (Balabanis and Diamantopoulos, 2004; Herche, 1992; Kaynak and Cavusgil, 1983; Leonidou *et al.*, 1999; Thelen *et al.*, 2006).

Exploratory results bring to light another interesting finding; preference for domestic goods can occur as a result of consumer ethnocentrism without the development of stereotypic associations. Although it has been found that cognitive distortion is an important dimension of consumer ethnocentrism, evidence illustrates that under certain conditions, ethnocentric sentiments could be developed even in the absence of perceptions of superior quality (Supphellen and Rittenburg, 2001). In particular, three of the interviewees that have articulated their preference for domestic goods have also appreciated the fact that they tend to purchase British goods without assessing their quality. Respondents claimed that in some cases and for certain products, they simply

purchase the domestic goods without comparing them with the foreign alternatives. For example, a female interviewee explained that when it came to food choice ‘*I simply buy British meat, I don’t think I am comparing it [...] If I would go to buy a piece of pork I would just go and buy one British without a question, I just do*’. In the words of another interviewee, ‘*I wouldn’t rate them [the British products] superior; I am just buying them because it is British. I don’t rate them, you know “this is much better”...*’. A third interviewee has acknowledged the fact that there were cases in which he bought a perceived inferior British product just because it was British. These findings emphasise the fact that consumer ethnocentrism is not always linked to biased ratings both in relation to domestic and foreign products. Consumers could prefer a domestic good not because of blind trust in quality but simply because of its British origin. The significance of this finding lies in the fact that the researcher could draw some useful conclusions in terms of the quality compromises consumers are prepared to engage in for certain product categories. Therefore, once again, the amalgamation of consumer ethnocentrism and social identity principles is not adequately justified through the empirical findings of this research.

Summarising, in-depth interviews indicated that the dimension of cognitive distortion remains relevant in our days. Yet, the implication arising of the consumer ethnocentrism foundations of derogation of foreign products has been challenged. Firstly, the vast majority of consumers evaluated only certain British goods better than foreign alternatives. The results illustrate that consumers do not necessarily devalue foreign goods. Secondly, some evidence was found for the impact of consumer ethnocentrism on preference for domestic goods in the absence of cognitive distortion.

Threat Perceptions: According to the founders of the concept of consumer ethnocentrism (Shimp and Sharma, 1987), the major rationale behind the systematic preference of domestic products is associated with the perceived threat that consumers attach to the consumption of foreign goods. An important consideration when elaborating on threat perceptions, is the status of the group under investigation. In particular, the aforementioned literature highlights significant differences with regard to threat based on different status levels. Appreciating the increased significance of threat in developing ethnocentric sentiments when deciding between products, the researcher sought the contemporary relevance of threat perceptions in the consumption of domestic and foreign products and the significance of the British status to the responses to any perceived threats.

In the course of the interviews, most of the respondents have acknowledged that there was a significant economic impact derived from the consumption of foreign products, providing further evidence for the close link between perceived threat and increased volume of imported goods. A vast number of interviewees defined the economic impact in terms of job losses in the UK. A female respondent emphasised that:

'[...] because of a lot of outsourcing, from India or Pakistan or whatever, [products] are cheaper for companies. So, it would mean job losses in this country and closure of companies, or companies make their offices smaller and make staff redundant'. In the words of another consumer, 'I am sure there are a lot of people who would prefer to buy British products than actually support another country [...] It's difficult competing with the Chinese, isn't it?' This finding conforms to the basic principles identified and verified in past literature, where consumer ethnocentrism was largely

attributed to fears of redundancies as a consequence of increased importation of goods.

On the other hand, a small number of interviewees questioned the impact of increased imports on the economy, emphasising the positive impact of competition in improving products and services. *'I think that's competition. We need competition to create better products. Competition is good'*, an interviewee claimed. In an era that British products' quality is dubious, some British consumers appreciated that imported goods provide the opportunity and the benchmark against which the British goods should be compared in order to improve. The impact on jobs was considered trivial by these respondents, who stated that the damage has already been done and the impact of increased imports is now non significant; job losses were greater in the past and tend to decrease in number as years go by. A male respondent clearly stated that *'for people saying that if you are not consuming the local produce, you put people out of jobs, I don't think that's always as true, it's not as true now as it would have been fifty years ago. Like I said, twenty-five years ago people working in a farm were fifteen, twenty-five years before that, there were fifty'*.

The findings from the in-depth interviews confirm existing theory, which illustrates differences in responses to threat according to the status of the group. Within the context of this research, consumers were found to emphasise different areas in which Britain is perceived to have enhanced superiority. For example, according to a male consumer, *'... this country now is developing in a totally different way to manufacturing industries to income generate. [...] This country is income generating more and more in service industries, in industries such as financial insurance and so*

on and so forth..' These empirical findings come in complete agreement with psychological evidence, which suggest that the response to threat for high status groups is *social creativity*, in order to switch the attention to another existing area in which superiority is enhanced (Brown and Ross, 1982).

Consistent with the findings emphasising the role of impure altruism in the development of consumer ethnocentrism, the issue of personal threat was raised during the interviews. Several interviewees articulated their willingness to act towards the good of the domestic economy and the workers only when they personally felt threatened. In the words of a female respondent, '*yes, it can be threat [having a large volume of imported goods in the market]. But I am not threatened by it at all, not personally.*' In a number of cases, respondents distinguished between the personal threat and the national threat, a fact that was evident through their willingness to only support industries or workers that they were related to.

Summarising, qualitative research attested the significance of threat perceptions within the consumer ethnocentrism domain. Consumers expressed their fear of job losses and increased unemployment due to increased importation of goods. However, there were some arguments over the significance of threat; a small number of respondents claimed that the impact of increased imports on employment rates has now been lessened. Finally, consistent with social identity theory and intergroup relations principles, English consumers were found to guide the discussion towards areas that they have enhanced superiority as a response to threat perceptions.

4.3.3 Normative Dimensions

Social Demonstrability of Benefits: As already developed in the literature review chapter, the relevance of the social environment within the context of consumer ethnocentrism is better explained by social identity theory implications (Lantz and Loeb, 1996). Consistent with the findings of pure and impure altruism and the pursuit of self and group enhancement, the impact of social organisations becomes evident. According to the implications of the social identity theory, individuals strive for conformity to the established norms in an attempt to approach their ideal self through enhancing their social identities (Caddick, 1982; De Cremer, 2001; Tropp and Brown, 2004). Consequently, the social entities that shape those norms become an integral part of the social identity enhancement efforts. It is in fact the social environment that motivates individuals to act towards the greater good.

In parallel to the principles governing social groups, the impact of the social entities is expected to be a vital part of the consumer ethnocentrism construct. Interviews supported the hypothesised relationship and the demonstrability of the benefits of the domestic goods' support was found to be an important aspect of consumer ethnocentrism. The qualitative data indicated that conformity with existing norms reinforced the support of British products and industries. Consistent with the above, the efforts made to emphasise the norms through various means were found to be a significant dimension of consumer ethnocentrism. Participants expressed their willingness to support the British workers only when social organisations and the government bring to their attention the benefits of consuming domestic products. In support of this argument, a male interviewee stated that:

'People should be made more aware of the impact. [...] Even the cattle and the farming industry is harsh. [...] I mean the farmers' markets do a great deal but the problem is that not everybody could shop at a farmers' market, it's not convenient. I think people would buy more if they were made aware.'

In complete agreement with the above statement, one of the participants emphasised that: *'the British economic environment would also be a consideration but that's only if someone makes me aware of it, if it becomes something on the news, it's covered in programmes, it's spoken in simple terms so that is easy to understand.'*

In the words of a male respondent, *'[if you know] they are struggling or whatever... And I think that [...], it makes you sit back and think and... If someone says that it is bad then I would definitely consider it and it would affect my choice in the future'*.

Although theory suggests that people of a certain group opt for conformity, just like a nation opts for consumption of domestic products, the qualitative findings suggest that conformity does not occur unconditionally; consumers are willing to conform to the suggested preference of domestic goods only when they are convinced about the product's quality or the effect of their purchases on the national economy. According to a male consumer, *"'Back British, it's best" (campaigns) they don't... There is no actual evidence on that. [...] Unless there is some obvious evidence that says this is why is better, then I think it's difficult to say'*. Unconditional conformity, suggested by past literature, was encountered only in one case. This result underlines the need for more careful application of social identity theory implications on consumer ethnocentrism.

In summary, the demonstrability of the benefits of consuming domestic goods was found to be an important part of the consumer ethnocentrism construct. In line with social identity theory, the social environment was perceived as an important motivation towards the support of domestic goods. Yet, respondents were not willing to comply with the established norms under all circumstances. Similar to moral duty findings, altruism and solidarity were again found to be conditional.

Buying Inertia: Buying inertia constitutes a novel dimension of consumer ethnocentrism, which was brought to the researcher's attention within the course of the interviews. This dimension encapsulates the concepts of habit, intergenerational pass of buying patterns and familiarity. Going back to the literature on ethnocentrism, evidence was presented illustrating that ethnocentric sentiments could be transmitted from significant adults and peers when individuals are in their formative years (Pearl, 1954). Considering that consumer ethnocentrism inherited its basic principles from the sociologically defined concept of ethnocentrism, the relevance of buying inertia within the consumer ethnocentrism domain is adequately justified.

Incorporating the underpinnings of social identity theory into the core construct, the association of this consumer ethnocentrism facet with social identity theory underpinnings becomes evident. Within the context of social identity theory, buying inertia could be understood as a manifestation of conformity to existing norms so that self-enhancement is achieved. A female consumer stated: *'I was brought up in an era where you buy British. A few years ago there was a big campaign, well quite a long time ago, there was a big campaign to buy British and... So, if I can get what I want*

that is British made, I will buy it'. Complementing the finding of intergenerational pass of buying habits, a male respondent argued:

'I think that everyone I am connected to have similar attitudes. So, generally, what I think has been shaped by what my parents think. So, I think that everyone that I am close to, means that because we know each other well, the attitudes are the same or very similar and I can't think of anything that I would buy and someone else wouldn't or that they would buy and I wouldn't'.

Habit and familiarity were also found to be important aspects of consumer ethnocentrism. When investigating motivations of preference for domestic goods, one consumer stated: *'...what I am used to... You know what I like and you know I use certain products throughout my marriage and things like that*'.

The underpinnings of buying inertia are parallel to the implications of stereotypic associations. In particular, the rationale behind buying inertia lies in consumers' efforts to minimise cognitive processing. Thus, incorporating some implications of stereotypic associations within this dimension allows for a more comprehensive understanding of the way in which buying inertia functions within the consumer ethnocentrism domain. The automatic activation of attitudes, elaborated in the literature review chapter, constitutes the technique people employ to reduce cognitive efforts when evaluating a given stimulus (Fazio, 2001). This technique affects a variety of significant phenomena, including not only judgments but also decision making (Fazio, 2001). From the above, it is concluded that buying inertia is a manifestation of automatic activation and is used to make decision-making less demanding and time consuming. The enhanced familiarity of British products, the

intergenerational inheritance of buying British patterns and the tradition that is built on buying British products, not only minimise cognitive processing demands but also constitute an important aspect of the investigated consumer ethnocentrism construct.

In sum, buying inertia was found to constitute a novel aspect of consumer ethnocentrism. The buying inertia dimension encapsulates the concepts of intergenerational inheritance of buying patterns, habit and familiarity. Consumers articulated their tendency to purchase products that they have either learned from their family, or with which they feel secure based on habit or product knowledge. The underpinnings of buying inertia are inherited from the stereotype theory and focus on consumers' efforts to minimise cognitive thinking.

4.4 Conclusion

The analysis of the qualitative data commenced with the assessment of coding reliability using the quantified technique of intercoder reliability. Following the establishment of coding reliability, the researcher embarked on the dimensionalisation of consumer ethnocentrism. Based on literature review findings, the facets presented in past studies were examined for their relevance in contemporary markets and were found to remain relevant but with variations in their meaning. The existing dimensions were enhanced by two novel dimensions, namely social demonstrability of the benefits of consuming domestic products and buying inertia. In total, seven dimensions of the consumer ethnocentrism construct were identified through this exploratory stage and 206 items were developed to tap each of these extended consumer ethnocentrism dimensions. The following chapter will address the expert

screening results, which are used to support content validity of the items forming the first item pool and will discuss the pretesting activities performed to prevent problems occurring after the survey administration.

CHAPTER FIVE:

CONTENT VALIDATION AND SURVEY PRETESTS

5.1 Introduction

Following the generation of 206 items and the decisions regarding the response format and number of responses, the next stages involved the establishment of content validity and the pretest of the questionnaire. This chapter elaborates on the main tasks undertaken to assess content validity of each item and ensure that all dimensions are well represented within the first instrument. The recruitment of the experts, also provided evidence for the appropriate elimination of items that performed poorly within this process. Additionally, the pretesting activities performed and the results obtained are presented. Pretesting allowed the identification of items that required rephrasing or deletion. The chapter begins with a description of the content validation procedure followed and moves on to analysing the rating results received from the experts. Following this stage, the different pretesting methods and the findings obtained are discussed.

5.2 Content Validation

As already developed in the methodology chapter, the researcher opted for expert judgment in order to enhance content validity and eliminate items that were perceived not to be representative of a specific facet. In an attempt to reduce the volume of the work required to review 206 items, the researcher decided to divide the item pool into two sections. Questionnaire 1 consisted of the first four dimensions that were

previously identified, namely patriotism/national identity, threat perceptions, altruism/solidarity and cognitive distortion and included 105 items. Questionnaire 2 addressed the remaining three dimensions, namely buying inertia, morality and social demonstrability of benefits and included 101 items. Both questionnaires included the definitions of the consumer ethnocentrism dimensions in order to embrace comparability of the results. The patriotism definition in Questionnaire 1 was purposively broader, so that implications of both genuine patriotism and ‘pseudo-patriotism’ were addressed.

5.2.1 Expert Rating

Six judges for Questionnaire 1 (four professors and two advanced Marketing PhD students) and five judges for Questionnaire 2 (three professors and two advanced Marketing PhD students) responded to the invitation and provided their assessments. The professors that performed the expert rating were academics that have published in the area of consumer ethnocentrism and thus, were able to provide valuable insights into the investigated dimensions. The total number of judges that was consequently employed was perceived as satisfactory, due to the fact that it allowed control of chance agreement (Lynn, 1986).

The criteria used to assess the items included representativeness, relevance, specificity and clarity (Haynes *et al.*, 1995). Although the vast majority of the literature suggests the use of less complicated and less demanding forms of item assessment, including fewer criteria (DeVellis, 2003; Zaichkowsky, 1985), the researcher pursued assessment through the four aforementioned criteria on the basis of better

enhancement of content validity. The four criteria were perceived as capable of providing sound justification for the decision of item retention or deletion. In addition to the four criteria used to judge the individual items, and after presenting experts with all the identified dimensions, they were also asked to provide their ratings for the overall measure's comprehensiveness (Grant and Davis, 1997). In order to allow for discrete ratings, a 10-point Likert scale was used for the assessment of the five criteria.

5.2.2 Analysis of the Expert Judgements

Consistent with Uebersax's (1993) recommendations, latent structure analysis was performed in order to assess rater association. In particular, one factor analysis was performed in an attempt to assess the raters' reliability. High factor loadings indicate a reliable rater, who used similar associations in relation to the construct to those of the other raters. A low factor on the other hand signals an unreliable rater, who might have misinterpreted the construct. Following this approach, the researcher set a cut-off point of .40 for the factor loadings and eliminated experts that were associated with factor loadings below this point for the four criteria examined. The cut off point was set in accordance with scholarly assertions, indicating factor loadings in the .40 range as substantial (Floyd and Widaman, 1995) or at least minimally acceptable (Hair *et al.*, 2006).

The results from the one factor analysis illustrated the need to eliminate one expert for the relevance criterion, two experts for the specificity criterion and three experts for the clarity criterion for Questionnaire 1. All the experts for Questionnaire 2 produced

satisfactory factor loadings, i.e. above the cut off point of .40 and thus all five were retained for the subsequent analysis (Tables 5.1 and 5.2).

Following the deletion of experts, the intraclass correlations (ICC) were calculated. As already developed, ICC measures the *interobserver reliability* (Landis and Koch, 1977). This method of rating reliability is only one of the various introduced in a wide array of disciplines. The principles and interpretation of intraclass correlation derive from the basic assumptions and interpretations of the kappa coefficient. Fleiss and Cohen (1973) have illustrated that the two approaches are analogous and thus, their implications are similar. Intraclass correlation was preferred in this case because it allows the retrieval of information with respect to both bias and association. More specifically, the ICC is sensitive to both correlation between raters and rater mean differences. For example, this coefficient decreases in response to lower correlation between raters as well as larger rater mean differences. Yet, it is important to emphasise that intraclass correlation assumes equal spacing of the rating categories (Fleiss and Cohen, 1973), which is not necessarily true for all measures. Although this could constitute a source of measurement error within this project, where a 10-point Likert scale is used, the researcher opted for intraclass correlation coefficients in order to present a measure that reflects rater/expert bias and associations.

A two way random model was chosen, where both judges and targets are conceived as randomly selected from a larger population (Shrout and Fleiss, 1979), and absolute agreement was used due to the ability of this type of ICC to account for variance attributed to raters (Shrout and Fleiss, 1979). The intraclass correlation coefficients were calculated for all criteria in both questionnaires. Most of the criteria yielded ICC

values above the suggested .60 cut off point (Landis and Koch, 1977), providing support for the substantial raters' agreement in both questionnaires. However, the coefficients relating to specificity and clarity for Questionnaire 2 were below the desired level of .60 (.571 and .584 respectively). Unquestionably, the low ICC estimates are largely attributed to poorly performing items. Therefore, the researcher opted for item deletion with the objective of calculating the intraclass correlation for the low scoring criteria.

Descriptive statistics were then calculated and a stringent cut off point of seven was set for representativeness and relevance. Forty-three items from the first questionnaire and fifty-eight items from the second questionnaire failed to satisfy the above criterion and thus, were perceived as candidates for deletion. In total, fourteen items were retained based on the researcher's judgement although they performed poorly in the relevance and representativeness criteria, while the rest ninety-seven items were eliminated. Consequently, one hundred and nine items were retained for further analysis. The next stage involved the refinement of items based on the specificity and clarity ratings. Items with high standard deviations (above two) that survived the tests of representativeness and relevance were reviewed and refined in order to improve specificity and clarity.

Having identified those items that required deletion based on relevance and representativeness, the researcher turned her attention once again to the low estimates of intraclass correlation for specificity and clarity in Questionnaire 2. From the items that required deletion, the researcher eliminated those that had standard deviations of two or more for both clarity and specificity. In this way, there was no 'loss' of data, as

only the ones that did not meet the representativeness and relevance criteria were eliminated from the analysis. The resulting intraclass correlation coefficients improved significantly (.645 for specificity and .616 for clarity), signalling a substantial inter-rater agreement (Table 5.3). In total, 54 items from Questionnaire 1 and 47 items from Questionnaire 2 were retained to formulate the first scale, bringing the total number of items for the first scale to 101.

*Table 5.1: Factor Loadings from One Factor Analysis for Questionnaire 1 **

| Criteria | Raters r | | | | | |
|--------------------|-----------------|--------|------|--------|--------|--------|
| | 1 | 2 | 3 | 4 | 5 | 6 |
| Representativeness | .763 | .443 | .813 | .412 | .466 | .506 |
| Relevance | .722 | .396** | .815 | .487 | .415 | .579 |
| Specificity | .741 | .465 | .794 | .364** | .402** | .452 |
| Clarity | .623 | .334** | .888 | .376** | .900 | .172** |

* Loadings on a latent factor representing raters' shared perception of the construct.

** Raters eliminated from subsequent analysis.

Finally, the overall comprehensiveness measure indicated satisfactory results. In particular, six of the eleven judges recruited (fifty-five percent) rated inclusiveness of the instrument with eight. Three of the judges gave the score of nine, while the lowest score obtained was six and was given by only one judge. Overall, ten of the eleven judges (ninety-one percent) provided scores of eight and above, a fact that provides

strong support for the ample inclusiveness of consumer ethnocentrism dimensions and the items that tap each one of them.

*Table 5.2: Factor Loadings from One Factor Analysis for Questionnaire 2**

| Criteria | Raters r | | | | |
|--------------------|-----------------|------|------|------|------|
| | 1 | 2 | 3 | 4 | 5 |
| Representativeness | .567 | .734 | .747 | .714 | .465 |
| Relevance | .460 | .739 | .793 | .585 | .484 |
| Specificity | .526 | .625 | .683 | .526 | .453 |
| Clarity | .488 | .681 | .687 | .567 | .463 |

* Loadings on a latent factor representing raters' shared perception of the construct

Table 5.3: Intraclass Correlations Coefficients Across the Rating Criteria

| | Questionnaire 1 | Questionnaire 2 |
|---------------------------|------------------------|------------------------|
| Representativeness | .708 | .775 |
| Relevance | .691 | .600 |
| Specificity | .674 | .645 |
| Clarity | .769 | .616 |

5.3 Survey Pretest

The process of content validation implemented provided the researcher with confidence about the appropriateness and comprehensiveness of the developed scale.

In preparation of a large scale survey, literature suggests that pretesting of the instrument should take place before the survey administration (Presser and Blair, 1994). In line with scholarly suggestions, the next stage involved the pretesting of the 101 items that survived the content validation testing to reveal any issues associated with comprehension or generally the task of the respondent. The paragraphs that follow provide a detailed description of the pre-pretesting and pretesting techniques followed before the first large-scale study.

5.3.1 Pre-pretesting and Pretesting Activities Performed

Presser and Blair (1994) have brought to light significant deficiencies of the conventional pretesting techniques and emphasised the need to perform more sophisticated tests. Semantic problems, general problems with either the respondent or the interviewer task could threaten the reliability of the data and lead to false conclusions. Appreciating the significance of rigorous pretests and after reviewing the available tests in the methodology chapter, it was decided to use thinkalouds as the pre-pretesting technique and respondent debriefings as the pretesting technique. Thinkalouds provided insights into the cognitive processes that respondents use to formulate their answers while respondent debriefings were implemented as a complimentary technique that allows a deeper understanding of the problems identified through the thinkalouds. In total, twelve English consumers were recruited through the convenience sampling technique. English consumers were targeted at this stage, because they could provide useful insights into the wording and phrasing of the questions. Consequently, this ensured that the questions posed were perceived in the way that they should be perceived.

In particular, five thinkalouds and seven debriefings were implemented, producing very similar results with respect to semantic as well as general problems in the respondent task. Semantic problems that were identified consisted of comprehension problems and general respondent problems involved problems in information recall and respondent knowledge. Respondent debriefings raised a debate over the use of 'British' instead of 'English' to refer to the country of origin of the products as well as the national identity of the respondents. However, due to the fact that the vast majority of the participants expressed no concerns with the use of 'British' to indicate the country of origin, it was decided not to proceed with any change. Although for the purposes of this research only English consumers are employed, the term 'British' in the scale is preferred to refer to people and products. This approach was chosen in order to prevent the rise of unnecessary nationalistic sentiments within the different nations in Britain.

Additionally, response options received some criticism with respect to their fine distinctions and their order. Response order problems refer to the use of a scale ranging from 1=Strongly Disagree to 7=Strongly Agree (as originally designed) as opposed to a reversed polarity scale. Table 5.4 provides an account of the major problems identified. The number of problems in this table occurred through the comparison of the defects reported in each activity across the respondents and the subsequent elimination of duplicates.

Table 5.4 illustrates a very important finding; thinkalouds were particularly strong in identifying semantic problems, while debriefings showed problems in response options, which the former method could not reveal. Interestingly, some questions

associated with comprehension problems in the thinkalouds, were found to be comprehensible in the debriefings.

Table 5.4: Summary of the Problems Identified Through Thinkalouds and Respondent Debriefings

| Identified Problems | | Pretesting Techniques | |
|----------------------------------|--------------------------------|-----------------------|-----------------------|
| | | Think Alouds | Respondent Debriefing |
| Semantic Problems | Comprehension | 24 | 12 |
| | Information | 1 | 1 |
| | Retrieval | | |
| General Respondent Task Problems | Insufficient Knowledge | 4 | 1 |
| | Response Category | 0 | 2 |
| | Order | | |
| | ‘English’ Instead of ‘British’ | 0 | 2 |
| | Response Category | 0 | 2 |
| | Distinctions | | |

The application of these techniques provided further validation of the comparative results in existing literature. More specifically, as expected, thinkalouds failed to

provide the researcher with ideas in relation to improving specific questions or the total instrument. Contrary to thinkalouds, respondent debriefings constituted the source of suggestions for further improvements, a fact that provided solid confirmation of past literature (Czaja, 1998).

Based on the results of these pretests two actions were implemented towards the instrument's improvement. More specifically, the results of the tests indicated the need to:

1. Rephrase 11 of the items associated with comprehension problems. The wording of those questions was revised according to the respondent debriefing findings.
2. Eliminate 19 of the 101 items originally tested, on the basis of comprehension, information retrieval and insufficient knowledge problems. After reviewing those questions and their significance to the research purpose, the researcher concluded that their elimination will not hamper the construct's multidimensionality. Item redundancy, suggested by many scholars (DeVellis, 2004; Netemeyer *et al.*, 2003), ensured that the items-candidates for deletion were again encountered within the instrument, but differently phrased. Thus, their elimination was perceived by the researcher as riskless for the multidimensionality of the scale. On the basis of the above judgment, 19 questions were deleted and 82 were retained for the first study.

5.4 Conclusion

Addressing the need to provide evidence of content validity of the measure, this chapter elaborated on the process followed to ensure that all items included in the

scale reflect the facets of the extended consumer ethnocentrism construct. In total, eleven judges, the vast majority of them experts in the area, were recruited to provide their ratings on five criteria. Following the elimination of unreliable experts and the deletion of items that performed poorly, intraclass correlations (ICC) and descriptive statistics supported the content validity of the measure. In line with the aforementioned scale development process, the next stage involved the pretest of the questionnaire to allow for identification of problems that may arise as consumers complete the survey. Through one pre-pretesting technique, thinkalouds, and one pretesting activity, respondent debriefings, several issues regarding comprehension, information retrieval and insufficient knowledge were resolved. As a result, 82 items were incorporated in the first questionnaire to be administered to a large sample.

CHAPTER SIX:

CEESCALE DEVELOPMENT AND VALIDATION

6.1 Introduction

Following content validation and the pretesting of the questionnaire, three large scale studies were implemented for the purposes of scale development. Study I was conducted using a variation of the mall intercept technique (details could be found in section 3.3.6 of the methodology chapter). Consistent with Churchill's paradigm, the data obtained from this survey were subjected to item analysis and exploratory factor analysis (EFA). In particular, as a preliminary step, item-to-total correlations were examined in order to eliminate items that failed to load significantly on the factor anticipated and reliability coefficients were calculated for each of the subscales. EFA was then conducted to verify the anticipated factor structure and further reduce the number of items. Cronbach's Alphas were then once again gauged for each of the dimensions. To further enhance factor structure and dimensionality of the scale, Confirmatory Factor Analysis (CFA) was performed. Studies II and III were carried out simultaneously and used for embarking on CFA. The model proposed by EFA turned out to be a poor representation of the data and thus, respecification was performed. As a result, a five-factor, 17 item model was supported through satisfactory fit indices. Reliabilities, discriminant, convergent, nomological and predictive validities were examined and supported. The following paragraphs discuss in detail the results yielded from the item, exploratory and confirmatory factor analyses. The chapter concludes with the investigation of the different types of construct validity.

6.2 Item Analysis – Study I

The first step towards scale purification required the investigation of the item-to-total correlations and coefficient alphas for each dimension. Items that failed to meet .30 cut-off point proposed by Nunnally (1978) were candidates for deletion. Through iterative processes, twenty-four items failed to meet the item-to-total correlation criterion. The vast majority of the items included negatively phrased statements, which could have caused confusion to respondents (DeVellis, 2003). The items that were identified as candidates for deletion were judged for face validity and two (Item6 and Item24) were kept for the subsequent analysis even though they did not meet the .30 cut off point (Bearden *et al.*, 2001; Blankson, 2008). Scale reliabilities were then calculated for each subscale producing satisfactory results (Netemeyer *et al.*, 2003; Nunnally, 1978). More specifically the coefficient alphas are as follows: Threat Perceptions 0.87, Patriotism/National Identity 0.91, Altruism/Solidarity 0.87, Cognitive Distortion 0.87, Buying Inertia 0.80, Morality 0.87 and Social Demonstrability of Benefits 0.78. Tables 6.1-6.7 report the item analysis results for each subscale. In total, sixty items were retained for the subsequent exploratory factor analysis.

Table 6.1: Item Analysis for Threat Perceptions

| | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item- Total Correlation | Cronbach's Alpha if Item Deleted |
|-------------------------|----------------------------------|-----------------------------------|---|--|
| Item3 | 18.98 | 37.66 | 0.65 | 0.85 |
| Item5 | 19.70 | 38.28 | 0.65 | 0.85 |
| Item9 | 19.21 | 37.27 | 0.74 | 0.83 |
| Item43 | 19.03 | 37.15 | 0.69 | 0.84 |
| Item45 | 18.91 | 36.37 | 0.73 | 0.83 |
| Item47 | 19.42 | 40.43 | 0.52 | 0.87 |
| Coefficient Alpha: 0.87 | | | | |

Table 6.2: Item Analysis for Buying Inertia

| | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|-------------------------|----------------------------|--------------------------------|----------------------------------|----------------------------------|
| Item50 | 15.25 | 25.033 | 0.45 | 0.80 |
| Item51 | 14.34 | 23.549 | 0.69 | 0.72 |
| Item52 | 14.90 | 24.004 | 0.57 | 0.76 |
| Item54 | 14.20 | 25.287 | 0.56 | 0.76 |
| Item55 | 14.82 | 23.792 | 0.65 | 0.74 |
| Coefficient Alpha: 0.80 | | | | |

Table 6.3: Item Analysis for Altruism/Solidarity

| | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|-------------------------|----------------------------|--------------------------------|----------------------------------|----------------------------------|
| Item4 | 39.37 | 98.92 | 0.53 | 0.86 |
| Item17 | 38.88 | 94.45 | 0.70 | 0.84 |
| Item19 | 38.72 | 100.59 | 0.59 | 0.85 |
| Item21 | 39.13 | 98.92 | 0.53 | 0.86 |
| Item22 | 39.63 | 94.29 | 0.71 | 0.84 |
| Item20 | 39.13 | 107.99 | 0.24 | 0.88 |
| Item24 | 38.54 | 96.94 | 0.72 | 0.84 |
| Item28 | 38.16 | 102.44 | 0.47 | 0.86 |
| Item36 | 39.91 | 100.61 | 0.60 | 0.85 |
| Item37 | 39.15 | 99.56 | 0.53 | 0.86 |
| Item53 | 39.24 | 97.42 | 0.62 | 0.85 |
| Item57 | 39.37 | 98.92 | 0.53 | 0.86 |
| Coefficient Alpha: 0.87 | | | | |

Table 6.4: Item Analysis for Cognitive Distortion

| | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|-------------------------|----------------------------|--------------------------------|----------------------------------|----------------------------------|
| Item7 | 21.19 | 43.70 | 0.69 | 0.84 |
| Item10 | 19.86 | 48.63 | 0.41 | 0.88 |
| Item26 | 21.28 | 44.72 | 0.66 | 0.85 |
| Item30 | 21.57 | 41.86 | 0.75 | 0.84 |
| Item34 | 22.01 | 46.39 | 0.56 | 0.86 |
| Item35 | 21.94 | 42.14 | 0.78 | 0.83 |
| Item46 | 22.12 | 43.53 | 0.68 | 0.85 |
| Coefficient Alpha: 0.87 | | | | |

Table 6.5: Item Analysis for Patriotism/National Identity

| | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item- Total Correlation | Cronbach's Alpha if Item Deleted |
|-------------------------|----------------------------------|-----------------------------------|---|--|
| Item1 | 47.67 | 228.06 | 0.55 | 0.91 |
| Item2 | 47.76 | 223.60 | 0.59 | 0.91 |
| Item6 | 48.71 | 245.08 | 0.24 | 0.92 |
| Item14 | 47.83 | 229.98 | 0.58 | 0.91 |
| Item44 | 48.86 | 220.25 | 0.75 | 0.90 |
| Item49 | 48.76 | 222.11 | 0.75 | 0.90 |
| Item59 | 48.41 | 223.48 | 0.68 | 0.90 |
| Item65 | 47.81 | 228.78 | 0.58 | 0.91 |
| Item8 | 48.39 | 232.17 | 0.56 | 0.91 |
| Item16 | 48.67 | 222.33 | 0.68 | 0.90 |
| Item29 | 49.45 | 233.06 | 0.51 | 0.91 |
| Item39 | 49.18 | 225.73 | 0.74 | 0.90 |
| Item40 | 49.09 | 224.33 | 0.70 | 0.90 |
| Item41 | 48.90 | 222.73 | 0.72 | 0.90 |
| Item68 | 48.24 | 228.50 | 0.54 | 0.91 |
| Coefficient Alpha: 0.91 | | | | |

Table 6.6: Item Analysis for Social Demonstrability of Benefits

| | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item- Total Correlation | Cronbach's Alpha if Item Deleted |
|-------------------------|-------------------------------|--------------------------------------|--------------------------------------|--|
| Item70 | 26.17 | 34.44 | 0.64 | 0.73 |
| Item73 | 26.75 | 33.78 | 0.61 | 0.73 |
| Item74 | 26.76 | 34.38 | 0.59 | 0.73 |
| Item75 | 26.71 | 36.46 | 0.42 | 0.77 |
| Item76 | 26.58 | 43.53 | 0.06 | 0.83 |
| Item77 | 26.18 | 33.24 | 0.68 | 0.71 |
| Item79 | 27.10 | 33.86 | 0.59 | 0.73 |
| Coefficient Alpha: 0.78 | | | | |

Table 6.7: Item Analysis for Morality

| | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item- Total Correlation | Cronbach's Alpha if Item Deleted |
|-------------------------|-------------------------------|-----------------------------------|---|--|
| Item15 | 21.55 | 56.218 | 0.62 | 0.86 |
| Item18 | 22.05 | 58.273 | 0.70 | 0.85 |
| Item25 | 21.01 | 52.117 | 0.72 | 0.84 |
| Item31 | 22.10 | 57.802 | 0.72 | 0.85 |
| Item58 | 21.23 | 51.238 | 0.79 | 0.84 |
| Item60 | 19.50 | 61.343 | 0.38 | 0.88 |
| Item66 | 20.07 | 56.219 | 0.58 | 0.86 |
| Item80 | 20.63 | 56.570 | 0.57 | 0.86 |
| Coefficient Alpha: 0.87 | | | | |

6.3 Exploratory Factor Analysis – Study I

Prior to conducting an exploratory factor analysis, the sample was tested for appropriateness for factor analysis using the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's test of sphericity. The KMO statistic produced a value of 0.87, which is well above the suggested value of 0.70 proposed by Nunnally (1978). Bartlett's test of sphericity was significant, indicating that the dependent variables are correlated (Table 6.8). These results provide sound justification for the application of factor analysis.

Principal axis factoring was used as the extraction method with Promax rotation. Principal axis factoring was preferred as opposed to components analysis because it considers only the common variance and ignores the unique and error variance (Hair *et al.*, 2006). Assuming little knowledge about specific and error variance, this common factor analysis method enables researchers to identify latent dimensions based on the original variables. As Netemeyer *et al.* (2003) suggest, common factor analysis has significant advantage over the components analysis not only due to its

ability to identify candidates for deletion but also due to its strength in understanding the factors that underlie the core construct. An oblique rotation was applied based on the researcher's expectation for the factors correlating with each other. Although oblique rotation is linked to increased complexity (DeVellis, 2003), scholars argue that it is more realistic than orthogonal rotation (Hair *et al.*, 2006), where underlying dimensions are assumed to be uncorrelated. Promax rotation was used to reveal the *most meaningful theoretical factors* (Netemeyer *et al.*, 2003).

Table 6.8: Sampling Appropriateness for Factor Analysis

| | | |
|--|--------------------|---------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy | | 0.870 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 8282.67 |
| | Df | 2145 |
| | Sig. | 0.000 |

Three statistical criteria for retaining items were employed; (a) factor loadings greater than .40 (Hair *et al.*, 2006), (b) eigenvalues greater than one (Kaiser-Guttman criterion), (c) at least three significant loadings per factor (Comrey, 1988).

Through a series of EFAs, 33 items were retained. Four items (Item17, Item21, Item28 and Item52) that were judged to have high face validity were retained although they did not meet the above criteria (Bearden *et al.*, 2001). These items tapped either previously established aspects of consumer ethnocentrism (pure altruism and solidarity) or novel aspects identified through the multi-discipline literature review (impure altruism and buying inertia) and were perceived as vital in capturing

the contemporary content domain of consumer ethnocentrism. The results indicated a six factor solution (Table 6.9), explaining 61.8 percent of the variance. Altruism/Solidarity items loaded on the morality dimension instead of emerging as a separate factor. This result is conceptually sound, due to the fact that altruism and solidarity towards the domestic workers could be perceived as elements of morality. In addition, most of the patriotism/national identity items loaded on the morality dimension, which is conceptually explained by the fact that caring for the nation and preserving the national identity are perceived as part of the moral duties each one has. The new dimension, incorporating altruism/solidarity and patriotism/national identity items was renamed Pro-Social Motivation in order to capture the meaning of this new consumer ethnocentrism facet. One issue that required further exploration was that only two items remained in the patriotism factor. Reliabilities were satisfactory for the five of the six factors; 0.93 for Pro-Social Motivation (PM), 0.87 for Threat Perceptions (TP), 0.80 for Social Demonstrability of Benefits (SDB), 0.86 for Cognitive Distortion (CD) and 0.79 for Buying Inertia (BI). The retained four items that yielded low item-to-total correlations were found not to hamper high reliabilities. However, the reliability coefficient for Patriotism was only 0.69.

A decision was made to merge the factors of Pro-Social Motivation and patriotism in order to create one solid factor. There were two reasons that provided support for this decision. Firstly, various scholars (Hair *et al.*, 2006; Spector, 1992) encouraged scale developers to merge factors with one or two items with other factors when these are conceptually related. In this case, patriotism and morality is conceptually related as elaborated above. Secondly, most of the patriotism items have already loaded on the Pro-Social Motivation factor, providing statistical support for this decision.

Table 6.9: Factor Loadings for 6 Factor Solution with Promax Rotation

| Item | PM | TP | SDB | CD | BI | PAT | Communality |
|--------|------|------|------|------|------|------|-------------|
| Item15 | 0.76 | | | | | | 0.54 |
| Item17 | 0.26 | | | | | | 0.50 |
| Item18 | 0.83 | | | | | | 0.58 |
| Item21 | 0.26 | | | | | | 0.40 |
| Item25 | 0.89 | | | | | | 0.70 |
| Item28 | 0.33 | | | | | | 0.56 |
| Item29 | 0.77 | | | | | | 0.45 |
| Item31 | 0.78 | | | | | | 0.55 |
| Item39 | 0.82 | | | | | | 0.73 |
| Item40 | 0.79 | | | | | | 0.64 |
| Item44 | 0.54 | | | | | | 0.68 |
| Item58 | 0.79 | | | | | | 0.74 |
| Item3 | | 0.81 | | | | | 0.53 |
| Item5 | | 0.46 | | | | | 0.54 |
| Item9 | | 0.81 | | | | | 0.69 |
| Item43 | | 0.75 | | | | | 0.63 |
| Item45 | | 0.72 | | | | | 0.65 |
| Item70 | | | 0.64 | | | | 0.58 |
| Item73 | | | 0.61 | | | | 0.51 |
| Item74 | | | 0.84 | | | | 0.54 |
| Item75 | | | 0.57 | | | | 0.27 |
| Item77 | | | 0.81 | | | | 0.66 |
| Item79 | | | 0.58 | | | | 0.64 |
| Item7 | | | | 0.79 | | | 0.64 |
| Item30 | | | | 0.67 | | | 0.67 |
| Item34 | | | | 0.40 | | | 0.49 |
| Item35 | | | | 0.78 | | | 0.74 |
| Item46 | | | | 0.59 | | | 0.52 |
| Item51 | | | | | 0.71 | | 0.66 |
| Item52 | | | | | 0.34 | | 0.51 |
| Item55 | | | | | 0.77 | | 0.63 |
| Item1 | | | | | | 0.71 | 0.52 |
| Item2 | | | | | | 0.73 | 0.56 |

Item-to-total correlations and reliability coefficient for the Pro-Social Motivation dimension were once again calculated to psychometrically verify the decision to merge the two factors. The resultant item-to-total correlations were all well above the .30 cut off point and the reliability was 0.93 (Table 6.10). Consequently, the 5 factor model with 33 items was the one to be subjected to confirmatory factor analysis.

Table 6.10: Item Analysis for Pro-Social Motivation

| | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item- Total Correlation | Cronbach's Alpha if Item Deleted |
|-------------------------|-------------------------------|-----------------------------------|--------------------------------------|-------------------------------------|
| Item1 | 40.71 | 209.22 | 0.49 | 0.93 |
| Item2 | 40.79 | 207.91 | 0.48 | 0.93 |
| Item15 | 42.54 | 205.25 | 0.70 | 0.92 |
| Item17 | 40.91 | 205.00 | 0.64 | 0.92 |
| Item18 | 43.05 | 212.81 | 0.67 | 0.92 |
| Item21 | 40.77 | 206.85 | 0.58 | 0.92 |
| Item25 | 42.00 | 198.37 | 0.77 | 0.92 |
| Item28 | 40.57 | 206.71 | 0.71 | 0.92 |
| Item29 | 42.49 | 208.80 | 0.57 | 0.92 |
| Item31 | 43.05 | 212.72 | 0.64 | 0.92 |
| Item39 | 42.22 | 202.05 | 0.80 | 0.92 |
| Item40 | 41.93 | 200.16 | 0.75 | 0.92 |
| Item44 | 41.89 | 198.98 | 0.76 | 0.92 |
| Item58 | 42.25 | 198.51 | 0.79 | 0.92 |
| Coefficient Alpha: 0.93 | | | | |

6.4 Confirmatory Factor Analysis – Study II

Following Gerbing and Anderson's (1988) recommendations, the items that survived the EFA process were examined through confirmatory factor analysis in order to establish unidimensionality of each factor. Additionally, CFA was used in order to eliminate more items, enhance the factor structure and provide a more robust model. The measurement model specified consisted of the five latent variables (dimensions) and the 33 manifest variables. At this stage, the EFA-driven factor structure was used to develop the model.

Before performing confirmatory factor analysis on the data of Study II, a decision had to be made regarding the specification of the measurement model. A meticulous investigation of the defining characteristics of both formative and reflective scales was carried out following MacKenzie *et al.*'s (2005) criteria. Addressing the four

questions presented by the authors to enhance decision making of the model specification, a decision was made to specify the measurement model as reflective. In particular, reflective model specification was decided on the following grounds; first of all, it was posited that the indicators were manifestations of the latent constructs. Secondly, the investigation of the indicators illustrated that indicators share a common theme. Thirdly, indicators were expected to covary and finally, all indicators were expected to have the same antecedents and consequences due to the fact that they share common themes. Consequently, a reflective measurement model was specified on the grounds of the above four criteria.

AMOS 7 was used for implementing confirmatory factor analysis. As already developed in methodology, missing data was eliminated from the analysis in order to allow for the implementation for confirmatory factor analysis. Maximum likelihood (ML) was used for estimating the model. ML constitutes the most common method used for estimating factor analytic models (Hair *et al.*, 2006; Netemeyer *et al.*, 2003). Although it has been widely accepted that this estimation method is sensitive to non normal data (Byrne, 2001; Hair *et al.*, 2006), there is evidence suggesting that this method is fairly robust even when there are violations of normality (Hair *et al.*, 2006; McDonald and Ho, 2002).

The model produced unsatisfactory fit indices, signalling a poor representation of the data through the model suggested in the previous analysis. More specifically, χ^2 was 1276.236 ($p < 0.001$) with 485 degrees of freedom. Goodness of fit index (GFI) and Tucker-Lewis Index (TLI) were 0.75 and 0.84 respectively. Comparative Fit Index (CFI) was 0.85 and the Root Mean Square Error of Approximation (RMSEA) was

0.08. These indices illustrated a poor model fit (Byrne, 2001; Hair *et al.*, 2006; Hu and Bentler, 1999).

6.4.1 Model Respecification

In order to detect model misspecification and achieve good representation of the data, model respecification was pursued. As part of the respecification process, modification indexes and residuals were examined. Modification indexes (MI) are provided for each fixed parameter and they represent the expected χ^2 drop if the respective parameter was freely estimated in a subsequent run (Byrne, 2001). After assessing their face validity, items with high modification indices or residuals were removed. Moreover, items associated with significant cross-loadings were also removed from the measurement model. Eliminating items with cross loadings enhances a clear factor structure and a sound factor interpretation.

Through a series of iterative processes, a 5 factor, 17-item measurement model was supported through satisfactory fit indices (Figure 6.1). The χ^2 value was 194.601 ($p < 0.001$) with 109 degrees of freedom. Considering that the χ^2 test tends to reject models with larger samples (Floyd and Widaman, 1995; Hair *et al.*, 2006), the focus is placed on absolute and incremental indices to find support for the adequate representation of data (Hair *et al.*, 2006). GFI and CFI were 0.92 and 0.96 respectively. The TLI suggested by Marsh *et al.* (1988) due to its independency of sample size, was 0.96 and the RMSEA 0.06 (Table 6.11). These results comply with the major guidelines for establishing acceptable fit (Hair *et al.*, 2006; Hu and Bentler, 1999). As seen in Table 6.12, all the item loadings to their corresponding dimensions

for Study II were high, ranging from 0.59-0.95, while the t-values were all above 1.96, illustrating that the loadings are significant at the 0.05 level (Byrne, 2001).

The next step involved the test of a higher order model, where the extended consumer ethnocentrism served as the second order factor (Figure 6.2). The fit indices obtained from estimating this model were very similar to the ones of the measurement model. In particular, χ^2 was 207.086 ($p < 0.001$) with 114 degrees of freedom. GFI, CFI and TLI were 0.91, 0.96 and 0.96 respectively. RMSEA was 0.06 (Table 6.11). The five dimensions all loaded significantly on the higher factor of the extended form of consumer ethnocentrism and the items all loaded significantly to their corresponding factors (Table 6.13). Table 6.14 summarises the elimination stage per item.

6.4.2 Reliability, Convergent and Discriminant Validity

Reliability of the subscales and item-to-total correlations were then gauged. Cronbach's Alphas were acceptable (Clark and Watson, 1995; Netemeyer *et al.*, 2003; Nunnally, 1978); 0.85 for Pro-Social Motivation, 0.81 for Buying Inertia, 0.83 for Social Demonstrability of Benefits, 0.81 for Threat Perceptions and 0.87 for Cognitive Distortion. Item-to-total correlations were above the 0.30 cut-off point (Nunnally, 1978), ranging from 0.49-0.83 (Table 6.13).

Construct reliabilities for the subscales, which measure internal consistency, were calculated through the following formula (Hair *et al.*, 1998):

$$\text{Construct Reliability} = \frac{(\text{Sum of Standardised Loadings})^2}{(\text{Sum of Standardised Loadings})^2 + \text{Sum of Indicator Measurement Error}}$$

All the construct reliabilities were above the suggested 0.70 threshold suggested by Hair *et al.* (1998); 0.86 for Pro-Social Motivation, 0.81 for Buying Inertia, 0.83 for Social Demonstrability of Benefits, 0.82 for Threat Perceptions and 0.88 for Cognitive Distortion (Table 6.15).

Following the computation of the construct reliabilities of the subscales, the composite reliability of the second order construct of the extended consumer ethnocentrism was gauged. The formula used for this purpose was found in Ping (2004):

$$\rho_X = \frac{(\sum \beta_i)^2 \text{Var}(X)}{(\sum \beta_i)^2 \text{Var}(X) + \sum \text{Var}(\zeta_i)}$$

where β_i is the loading of the first order construct x_i on the second order construct X , $\text{Var}(X)$ is the measurement-error-free variance of X and ζ_i is the error term for construct x_i .

The reliability of the second order construct of the extended consumer ethnocentrism was 0.86, higher than the minimum values suggested in relevant literature (Bagozzi and Yi, 1988; Hair *et al.*, 1998). This result provides further support for the psychometric soundness of the scale developed.

Figure 6.1: The 5 Factor Measurement Model

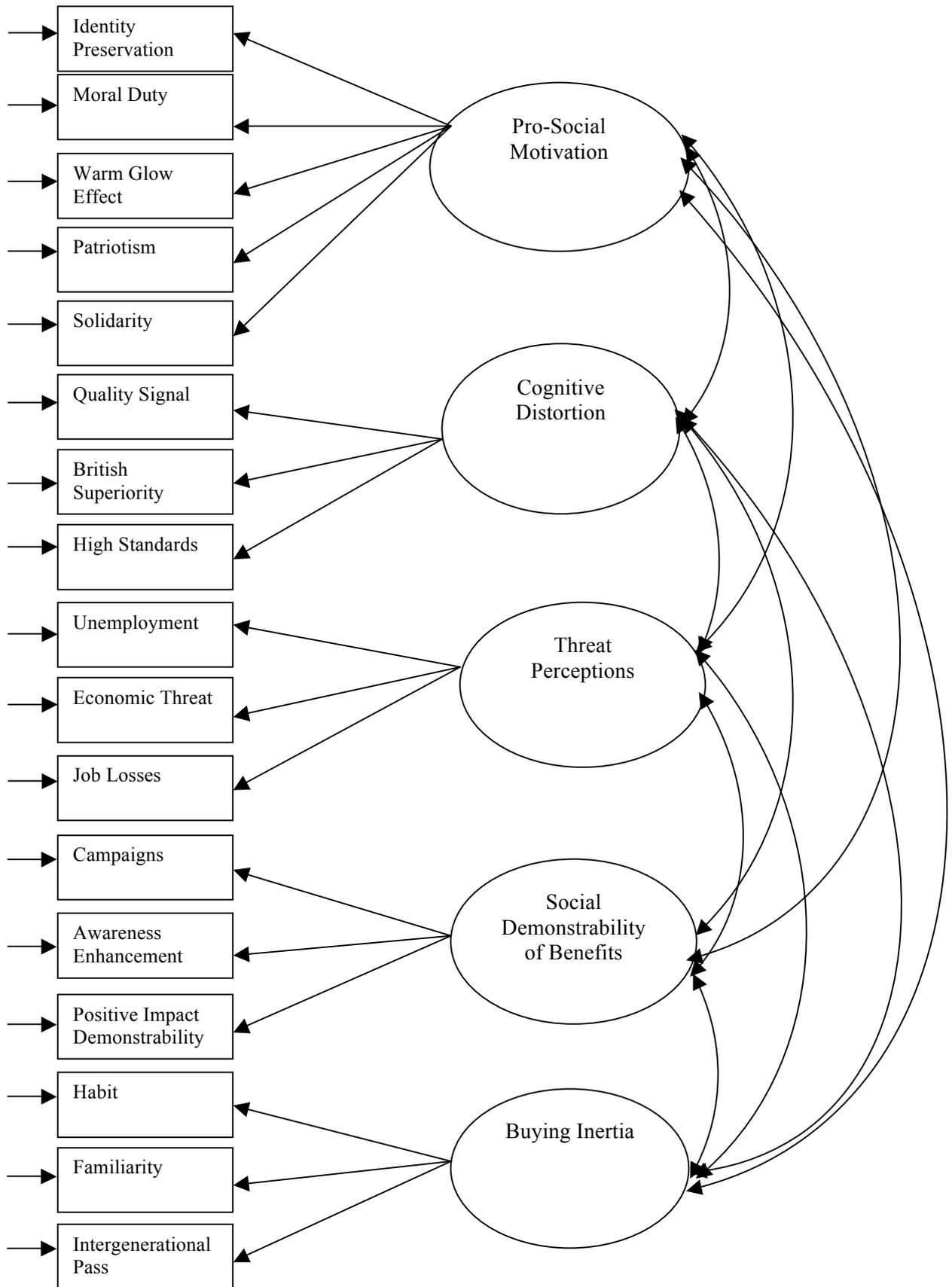


Table 6.11: Absolute and Incremental Fit Indices

| | | Absolute Fit Indices | | | | Incremental Fit Indices | | |
|---------------------|--------------------------|----------------------|--------|-------|------|-------------------------|------|------|
| | | χ^2 | df | RMSEA | GFI | CFI | TLI | |
| <i>5 Factor</i> | <i>Measurement Model</i> | Study II | 194.60 | 109 | 0.06 | 0.92 | 0.96 | 0.96 |
| | | Study III | 177.17 | 109 | 0.06 | 0.92 | 0.96 | 0.95 |
| <i>Second Order</i> | <i>Model</i> | Study II | 207.09 | 114 | 0.06 | 0.91 | 0.96 | 0.96 |
| | | Study III | 193.21 | 114 | 0.06 | 0.91 | 0.95 | 0.94 |

Support for convergent validity was found through the average variance extracted (AVE), which measures the percentage of the total variance of the data accounted for each of the constructs. AVE was calculated through the following formula:

$$\text{AVE} = \frac{\text{Sum of Squared Standardised Loadings}}{\text{Sum of Squared Standardised Loadings} + \text{Sum of Indicator Measurement Error}}$$

Table 6.12: Item Loadings of the 5 Factor Measurement Model (Standardised Estimates)

| Dimensions and Corresponding Items | Factor Loadings | | t-Value | |
|---|-----------------|-----------|----------|-----------|
| | Study II | Study III | Study II | Study III |
| <i>Pro-Social Motivation</i> | | | | |
| 1. Buying British goods helps me maintain my British identity. | 0.80 | 0.67 | 13.89 | 9.24 |
| 2. I believe that purchasing British goods should be a moral duty of every British citizen. | 0.80 | 0.73 | * | * |
| 3. It always makes me feel good to support our products. | 0.59 | 0.62 | 9.44 | 8.56 |
| 4. A real Briton should always back the British products. | 0.84 | 0.81 | 14.78 | 11.20 |
| 5. British people should always consider British workers when making their purchase decisions. | 0.65 | 0.60 | 10.70 | 8.21 |
| <i>Cognitive Distortion</i> | | | | |
| 6. When it comes to British products, I do not need further information to assess their quality; the country of origin is sufficient signal of high quality for me. | 0.81 | 0.68 | * | * |
| 7. British goods are better than imported goods. | 0.95 | 0.87 | 17.20 | 10.75 |
| 8. British products are made to high standards and no other country can exceed them. | 0.77 | 0.81 | 13.61 | 10.23 |
| <i>Threat Perceptions</i> | | | | |
| 9. Increased imports result in greater levels of unemployment in this country. | 0.81 | 0.79 | * | * |
| 10. Buying foreign products is a threat to the domestic economy. | 0.71 | 0.69 | 11.15 | 9.58 |
| 11. Job losses in this country are the result of increased importation of foreign goods. | 0.81 | 0.82 | 12.56 | 10.99 |
| <i>Social Demonstrability of Benefits</i> | | | | |
| 12. I would be convinced to buy domestic goods if a campaign was launched in the mass media promoting British goods. | 0.81 | 0.81 | 12.86 | 11.77 |
| 13. I believe that if British people are made aware of the impact on the economy of foreign product consumption, they would be more willing to purchase domestic goods. | 0.81 | 0.82 | * | * |
| 14. British government should launch campaigns to make people aware of the positive impact of domestic good consumption on the British economy. | 0.74 | 0.82 | 11.79 | 9.95 |
| <i>Buying Inertia</i> | | | | |
| 15. I am buying British products out of habit. | 0.67 | 0.64 | * | * |
| 16. I prefer buying the British products because I am more familiar with them. | 0.86 | 0.75 | 11.02 | 7.61 |
| 17. I am buying British because I am following the consumption patters as these were passed to me by my older family members. | 0.75 | 0.71 | 10.13 | 7.42 |

*Parameters fixed to the value of 1.

The calculated AVEs for each of the dimensions were above the suggested 0.50 level (Fornell and Larcker, 1981); 0.55 for Pro-Social Motivation, 0.59 for Buying Inertia, 0.62 for Social Demonstrability of Benefits, 0.60 for Threat Perceptions and 0.71 for Cognitive Distortion. These results provide sound support for the convergent validity of the five dimensions.

In order to examine discriminant validity, three different tests were undertaken. Firstly, the squared correlations between the five dimensions were compared with the individual AVEs of the dimensions (Fornell and Larcker, 1981). In order to establish discriminant validity, the AVEs of the individual dimensions should be greater than the squared correlations between the dimensions. This test indicated a discriminant problem between Pro-Social Motivation and Cognitive Distortion (Table 6.16). Yet, the conceptual basis of the two dimensions did not justify such a result. Thus, another two tests were implemented to investigate discriminant validity in greater depth.

Figure 6.2: The Second Order Factor Model

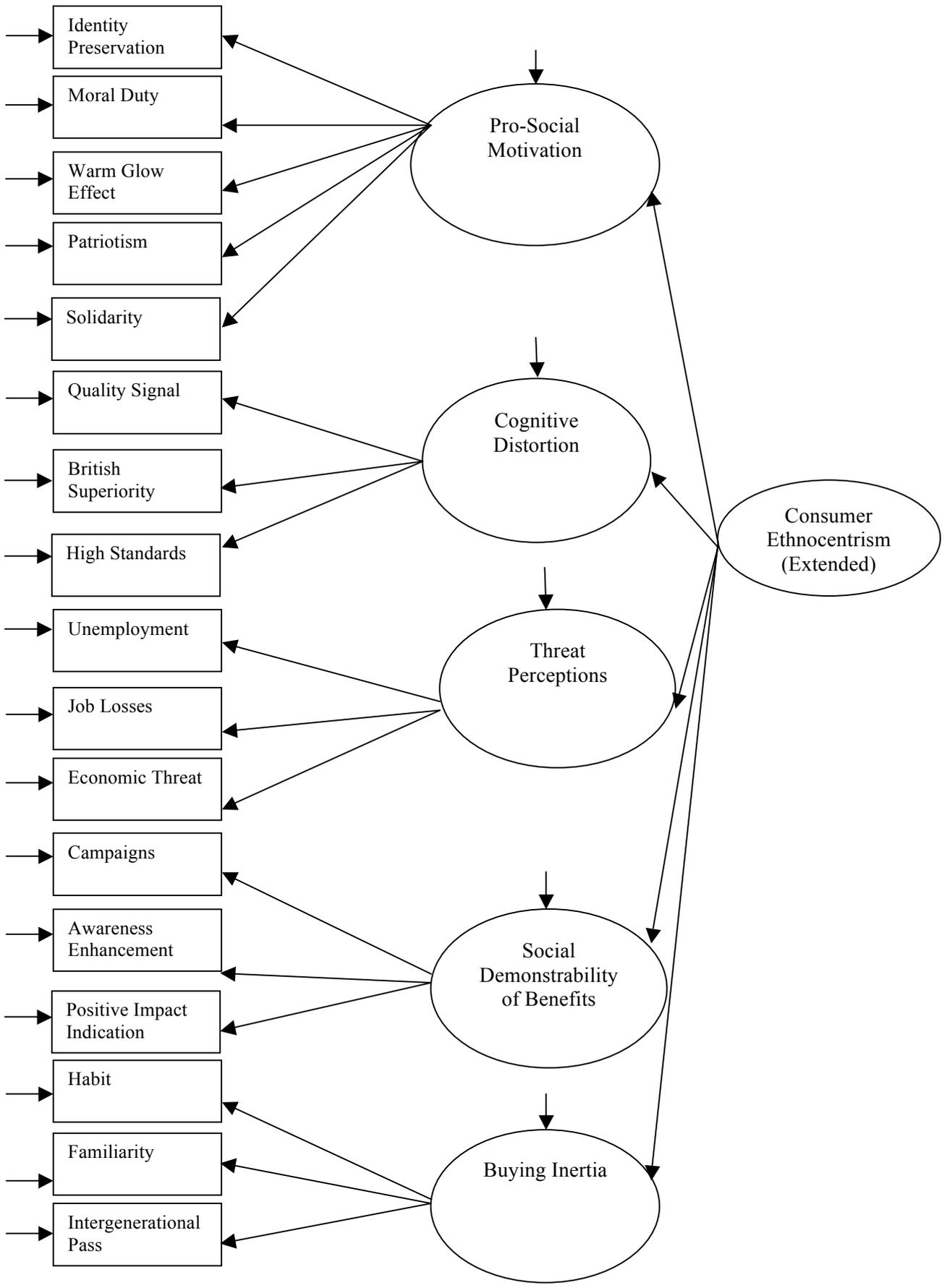


Table 6.13: Item and Factor Loadings of the Second Order Factor Model
(Standardised Estimates)

| Dimensions and Corresponding Items | Factor Loadings | | t-Value | |
|---|-----------------|-----------|----------|-----------|
| | Study II | Study III | Study II | Study III |
| <i><u>Pro-Social Motivation</u></i> | 0.94 | 0.98 | 8.94 | 5.88 |
| Buying British goods helps me maintain my British identity. | 0.80 | 0.67 | 13.93 | 9.23 |
| I believe that purchasing British goods should be a moral duty of every British citizen. | 0.80 | 0.73 | * | * |
| It always makes me feel good to support our products. | 0.58 | 0.62 | 9.46 | 8.53 |
| A real Briton should always back the British products. | 0.84 | 0.81 | 14.77 | 11.13 |
| British people should always consider British workers when making their purchase decisions. | 0.65 | 0.60 | 10.63 | 8.17 |
| <i><u>Cognitive Distortion</u></i> | 0.83 | 0.79 | 8.50 | 5.45 |
| When it comes to British products, I do not need further information to assess their quality; the country of origin is sufficient signal of high quality for me. | 0.81 | 0.68 | * | * |
| British goods are better than imported goods. | 0.95 | 0.89 | 17.20 | 10.59 |
| British products are made to high standards and no other country can exceed them. | 0.77 | 0.82 | 13.59 | 10.11 |
| <i><u>Threat Perceptions</u></i> | 0.75 | 0.71 | 7.90 | 5.44 |
| Increased imports result in greater levels of unemployment in this country. | 0.81 | 0.79 | * | * |
| Buying foreign products is a threat to the domestic economy. | 0.71 | 0.69 | 11.14 | 9.50 |
| Job losses in this country are the result of increased importation of foreign goods. | 0.80 | 0.83 | 12.50 | 10.95 |
| <i><u>Social Demonstrability of Benefits</u></i> | 0.76 | 0.76 | 7.97 | 5.67 |
| I would be convinced to buy domestic goods if a campaign was launched in the mass media promoting British goods. | 0.81 | 0.82 | 12.78 | 11.66 |
| I believe that if British people are made aware of the impact on the economy of foreign product consumption, they would be more willing to purchase domestic goods. | 0.80 | 0.81 | * | * |
| British government should launch campaigns to make people aware of the positive impact of domestic good consumption on the British economy. | 0.75 | 0.69 | 11.79 | 9.81 |
| <i><u>Buying Inertia</u></i> | 0.83 | 0.62 | * | * |
| I am buying British products out of habit. | 0.67 | 0.62 | * | * |
| I prefer buying the British products because I am more familiar with them. | 0.86 | 0.75 | 10.96 | 7.35 |
| I am buying British because I am following the consumption patters as these were passed to me by my older family members. | 0.76 | 0.73 | 10.15 | 7.29 |

*Parameters fixed to the value of 1.

Table 6.14: Elimination Stage per Item

| Item | Description | Elimination Stage |
|------|--|-------------------|
| 1. | Preference of domestic goods is one way of showing our love towards our country. | CFA |
| 2. | Britons who only purchase British products are patriotic. | CFA |
| 3. | Importing goods hurts the domestic economy. | CFA |
| 4. | British people should support British products even when these are more expensive than the foreign alternatives. | EFA |
| 5. | British people should prefer British products in order to prevent foreign businesses from promoting their goods in the British market. | CFA |
| 6. | Britons who only purchase British products are those that unconditionally love their country. | EFA |
| 7. | I find that British products are of superior quality to the foreign alternatives. | CFA |
| 8. | Britons buy domestic products to safeguard their British identity. | EFA |
| 9. | Buying foreign products is a threat to the domestic economy. | Retained |
| 10. | There are certain British products, which I always rate higher than the foreign alternatives. | EFA |
| 11. | Buying domestic goods does not help the economy. | Item Analysis |
| 12. | I generally find that British products lack quality. | Item Analysis |
| 13. | British identity is not threatened by consuming foreign products. | Item Analysis |
| 14. | A patriotic person backs domestic goods whenever he/she can. | EFA |
| 15. | I feel guilty whenever I am not buying our products. | CFA |
| 16. | People should project their British origin to the world through the consumption of British products. | EFA |
| 17. | British people should always consider British workers when making their purchase decisions. | Retained |
| 18. | It is immoral for British consumers to buy foreign goods. | CFA |
| 19. | I am always willing to help domestic workers through purchasing their products. | EFA |
| 20. | I always purchase British products because I feel that I am helping fellow workers in this way. | EFA |
| 21. | It always makes me feel good to support our products. | Retained |
| 22. | I would only pay a high price for certain British products that are severely hurt by foreign competition. | EFA |
| 23. | I am not interested in helping the British workers because I will not personally benefit from this action. | Item Analysis |
| 24. | I want to purchase British goods in order to help the British workers but I am not financially capable of doing so. | EFA |
| 25. | I believe that purchasing British goods should be a moral duty of every British citizen. | Retained |
| 26. | British products are always reliable. | EFA |
| 27. | Nowadays foreign products are more reliable than the British ones. | Item Analysis |
| 28. | People should help their country through purchasing domestic goods. | CFA |
| 29. | I believe one can lose his/her British identity by regularly buying foreign products. | CFA |
| 30. | I always rate British goods higher than foreign ones. | CFA |

| | | |
|-----|--|------------------|
| 31. | Buying foreign goods is immoral. | CFA |
| 32. | I do not assess the quality of British products; I just buy them. | Item Analysis |
| 33. | I don't personally feel threatened by buying foreign products. | Item Analysis |
| 34. | When it comes to British products, I do not need further information to assess their quality; the country of origin is sufficient signal of high quality for me. | Retained |
| 35. | British goods are better than imported goods. | Retained |
| 36. | Buying domestic goods help British people remain in their jobs. | EFA |
| 37. | Although I appreciate that some foreign products are better than the British ones, I would still buy the British. | EFA |
| 38. | I am not willing to pay a premium price for British products just to help the domestic workers. | Item Analysis |
| 39. | If British people do not consume British products, they are not being consistent with their national identity. | CFA |
| 40. | Buying British goods helps me maintain my British identity. | Retained |
| 41. | I am buying British goods because I am always loyal to the ideal of being British. | CFA |
| 42. | I am disappointed with the quality of the British products. | Item Analysis |
| 43. | Job losses in this country are the result of increased importation of foreign goods. | Retained |
| 44. | A real Briton should always back the British products. | Retained |
| 45. | Increased imports result in greater levels of unemployment in this country. | Retained |
| 46. | British products are made to high standards and no other country can exceed them. | Retained |
| 47. | It is unacceptable to import goods that we can produce ourselves. | EFA |
| 48. | I prefer buying domestic products because they are of better quality. | Item Analysis |
| 49. | Purchasing of domestic goods is a result of love towards one's own country. | EFA |
| 50. | I was raised in an era in which all British people bought British products. | EFA |
| 51. | I prefer buying the British products because I am more familiar with them. | Retained |
| 52. | I am buying British because I am following the consumption patters as these were passed to me by my older family members. | Retained |
| 53. | Purchasing British products is a form of manifesting solidarity towards the British workers. | EFA |
| 54. | I would like my children to learn to buy British goods. | EFA |
| 55. | I am buying British products out of habit. | Retained |
| 56. | I purchase foreign products because they are associated with more up to date designs. | Item Analysis |
| 57. | British people should prefer British products because they are made by British workers. | EFA |
| 58. | I believe that purchasing British goods is a moral duty of every British citizen. | CFA |
| 59. | A person who regularly prefers domestic products is a patriotic person. | EFA |
| 60. | Buying British goods is a moral duty of every British citizen. | EFA |

| | | |
|-----|---|------------------|
| 61. | It is not realistic to expect all British people to support domestic goods. | Item Analysis |
| 62. | Buying domestic goods is just personal choice. | Item Analysis |
| 63. | I sometimes assess British products unfavourably. | Item Analysis |
| 64. | People should not be seen unfavourably if they purchase foreign goods. | Item Analysis |
| 65. | It is British people's responsibility to support their own products. | EFA |
| 66. | It is wrong to purchase foreign products at times where British industries are struggling. | EFA |
| 67. | I do not believe that by buying foreign products I am doing something wrong. | Item Analysis |
| 68. | The increased volume of imports is a threat to our British identity. | EFA |
| 69. | It is wrong to criticise people who are purchasing foreign goods. | Item Analysis |
| 70. | I believe that if British people are made aware of the impact on the economy of foreign product consumption, they would be more willing to purchase domestic goods. | Retained |
| 71. | Buying domestic goods is a significant moral issue. | Item Analysis |
| 72. | There are certain situations in which I find buying foreign goods as wrong and others that I do not perceive it as such. | Item Analysis |
| 73. | I would be convinced to buy domestic goods if a campaign was launched in the mass media promoting British goods. | Retained |
| 74. | I would be convinced to buy British goods only if I was provided with evidence of the negative impact of import purchases on our country. | CFA |
| 75. | I am willing to buy a British product if this pleases a loved one. | CFA |
| 76. | People would have to present evidence of quality in order to convince me to buy a British product. | EFA |
| 77. | British government should launch campaigns to make people aware of the positive impact of domestic good consumption on the British economy. | Retained |
| 78. | I am buying British goods because I feel pressure from my peer environment to act towards the greater British good. | Item Analysis |
| 79. | If I see on the news that the British industries are struggling, I will be convinced to buy British goods. | CFA |
| 80. | Our moral principles dictate the consumption of domestic goods. | EFA |

Table 6.15: Construct Reliability Computation

| | <i>Pro-Social Motivation</i> | | <i>Cognitive Distortion</i> | | <i>Threat Perceptions</i> | | <i>Social Demonstrability of Benefits</i> | | <i>Buying Inertia</i> | |
|---|----------------------------------|--------|---------------------------------|--------|-------------------------------|--------|---|--------|---------------------------|--------|
| | S. II | S. III | S. II | S. III | S. II | S. III | S. II | S. III | S. II | S. III |
| Squared Sum of Standardised Loadings | 13.49 | 11.82 | 6.36 | 5.68 | 5.41 | 5.30 | 5.58 | 5.39 | 5.23 | 4.55 |
| Sum of Measurement Error | 2.25 | 2.61 | 0.86 | 1.09 | 1.19 | 1.22 | 1.14 | 1.19 | 1.24 | 1.48 |
| Construct Reliability | 0.86 | 0.82 | 0.88 | 0.84 | 0.82 | 0.81 | 0.83 | 0.82 | 0.81 | 0.75 |

The second test involved the comparison of the five factor model with alternative models with less dimensions (Netemeyer *et al.*, 2003). The five factor model proposed by EFA and CFA was compared with a single factor and a four-factor measurement model with the Cognitive Distortion and Pro-Social Motivation factors merged as indicated by the previous test. The five factor measurement model was found to outperform all the alternative models based on significant χ^2 differences ($\Delta\chi^2$). Looking closely at the alternative models, the four factor model with the collapsed Cognitive Distortion and Pro-Social Motivation factors did not perform as well as the five factor model, indicated by poorer fit indices (Table 6.17).

Consequently, this test provided support for the distinctiveness of the dimensions in the five factor measurement model.

Table 6.16: Squared Correlations and AVEs of the CEESCALE Dimensions

| | PM | CD | TP | SDB | BI | AVE |
|---|-----------|-----------|-----------|------------|-----------|------------|
| Pro-Social Motivation (PM) | - | 0.61 | 0.54 | 0.49 | 0.54 | 0.55 |
| Cognitive Distortion (CD) | 0.61 | - | 0.33 | 0.36 | 0.53 | 0.71 |
| Threat Perceptions (TP) | 0.54 | 0.33 | - | 0.38 | 0.33 | 0.60 |
| Social Demonstrability of Benefits (SDB) | 0.49 | 0.36 | 0.38 | - | 0.44 | 0.62 |
| Buying Inertia (BI) | 0.54 | 0.53 | 0.33 | 0.44 | - | 0.59 |

The third discriminant validity test involved the examination of the ninety percent confidence intervals (\pm two standard errors) for each of the correlation estimates between the dimensions (Gerbing and Anderson, 1988). The formula used to calculate the confidence intervals was the following:

$$CI = CE \pm 2 \frac{1}{\sqrt{(\text{Sample Size}-3)}},$$

where CI represents the 90% confidence interval for the correlation estimate between the dimensions and CE represents the Correlation Estimate between the dimensions.

Table 6.17: Comparison of Alternative Measurement Models

| | χ^2 | $\Delta\chi^2$ | Df | Δdf | RMSEA | CFI | TLI | GFI |
|---------------------------------------|----------|---------------------|-----|-------------|-------|------|------|------|
| One-Factor Model | 617.34 | - | 119 | - | 0.13 | 0.79 | 0.76 | 0.76 |
| Four-Factor (Correlated) Model | 329.01 | 288.33 | 113 | 6 | 0.09 | 0.91 | 0.89 | 0.86 |
| Five Factor (Correlated) Model | 194.60 | 134.41 (422.74)* | 109 | 4 (10)* | 0.06 | 0.96 | 0.96 | 0.92 |

*Figures in brackets represent differences with the one-factor measurement model.

None of the upper or lower 90 percent confidence intervals contained the value of one (Table 6.18), providing support for the discriminant validity of the developed scale. To summarise, the first test indicated a problem in distinguishing between Cognitive Distortion and Pro-Social Motivation. Yet, through the comparison of alternative measurement models, the four factor model with the collapsed Pro-Social Motivation and Cognitive Distortion performed worse than the five factor model, signaling the distinctiveness of the two dimensions. The third test provided further support for the discriminant validity of the CEESCALE.

Table 6.18: Confidence Intervals (CI) for the Correlations of the CEESCALE Dimensions

| Correlations Between Dimensions | Correlation Estimates | Lower 90% CI | Upper 90% CI |
|--|-----------------------|--------------|--------------|
| Cognitive Distortion and Buying Inertia | 0.73 | 0.60 | 0.86 |
| Cognitive Distortion and Threat Perceptions | 0.57 | 0.44 | 0.70 |
| Cognitive Distortion and Social Demonstrability of Benefits | 0.60 | 0.47 | 0.73 |
| Social Demonstrability of Benefits and Buying Inertia | 0.66 | 0.53 | 0.79 |
| Threat Perceptions and Buying Inertia | 0.57 | 0.44 | 0.70 |
| Threat Perceptions and Social Demonstrability of Benefits | 0.62 | 0.49 | 0.74 |
| Cognitive Distortion and Pro-Social Motivation | 0.78 | 0.66 | 0.91 |
| Threat Perceptions and Pro-Social Motivation | 0.73 | 0.61 | 0.86 |
| Social Demonstrability of Benefits and Pro-Social Motivation | 0.70 | 0.57 | 0.83 |
| Buying Inertia and Pro-Social Motivation | 0.74 | 0.61 | 0.86 |

6.5 Confirmatory Factor Analysis – Study III

Following the development of a psychometrically sound scale, the focus was placed on replicating the results on a fresh sample. Confirmatory factor analysis was performed on the final scale and satisfactory results were once again obtained; χ^2 was 177.166 with 109 degrees of freedom, RMSEA was 0.06, while CFI, GFI and TLI were 0.96, 0.92, 0.95 respectively (Table 6.11). Item loadings to their corresponding factors were also satisfactory, ranging from 0.62-0.87.

Cronbach's Alphas of the individual subscales were again satisfactory; 0.83 for Pro-Social Motivation, 0.84 for Cognitive Distortion, 0.81 for Threat Perceptions, 0.82 for Social Demonstrability of Benefits and 0.75 for Buying Inertia. Construct reliabilities were again computed and found to be satisfactory; 0.82 for Pro-Social Motivation, 0.84 for Cognitive Distortion, 0.81 for Threat Perceptions, 0.82 for Social Demonstrability of Benefits and 0.75 for Buying Inertia (Table 6.19).

In addition to the measurement model, the second order factor model was also once again tested through CFA. The results indicated satisfactory model fit; χ^2 was 193.207 with 114 degrees of freedom, RMSEA was 0.06, CFI and GFI were 0.95 and 0.91 respectively, while TLI was 0.94. The 5 factors loaded significantly on the extended consumer ethnocentrism factor with loadings ranging from 0.62-0.98. Item loadings on the corresponding factors ranged from 0.60-0.89 and were all significant at the 0.05 level (Byrne, 2001). Reliability of the second order construct was again computed using Ping's formula (2004). The obtained value of 0.83 provided support for the desirable level of reliability of the CEESCALE.

Table 6.19: Psychometric Properties of the CEESCALE (Studies II and III)

| Dimension | Items | Cronbach's Alpha | | Construct Reliability | |
|------------------------------------|---|------------------|--------|-----------------------|--------|
| | | S. II | S. III | S. II | S. III |
| PRO-SOCIAL MOTIVATION | British people should always consider British workers when making their purchase decisions. | | | | |
| | I believe that purchasing British goods should be a moral duty of every British citizen. | | | | |
| | Buying British goods helps me maintain my British identity. | .85 | .83 | .86 | .82 |
| BUYING INERTIA | A real Briton should always back the British products. | | | | |
| | It always makes me feel good to support our products. | | | | |
| | I prefer buying the British products because I am more familiar with them. | | | | |
| SOCIAL DEMONSTRABILITY OF BENEFITS | I am buying British because I am following the consumption patters as these were passed to me by my older family members. | .81 | .75 | .81 | .75 |
| | I am buying British products out of habit. | | | | |
| | I believe that if British people are made aware of the impact on the economy of foreign product consumption, they would be more willing to purchase domestic goods. | | | | |
| THREAT PERCEPTIONS | I would be convinced to buy domestic goods if a campaign was launched in the mass media promoting British goods. | .83 | .82 | .83 | .82 |
| | British government should launch campaigns to make people aware of the positive impact of domestic good consumption on the British economy. | | | | |
| | Buying foreign products is a threat to the domestic economy. | | | | |
| COGNITIVE DISTORTION | Job losses in this country are the result of increased importation of foreign goods. | .81 | .81 | .82 | .81 |
| | Increased imports result in greater levels of unemployment in this country. | | | | |
| | When it comes to British products, I do not need further information to assess their quality; the country of origin is sufficient signal of high quality for me. | | | | |
| | British goods are better than imported goods. | .87 | .84 | .88 | .84 |
| | British products are made to high standards and no other country can exceed them. | | | | |
| | TOTAL SCALE | .93 | .91 | .86** | .83** |

**Construct Reliabilities of the Second Order Extended Consumer Ethnocentrism Construct.

6.6 Nomological Validity – Studies I, II and III

As already developed in the methodology chapter, various established scales have been used in order to provide significant evidence of nomological validity. Due to concerns over the length of the questionnaires, a decision was made to include different scales in all three large scale surveys implemented (Bearden *et al.*, 2001; Netemeyer *et al.*, 2003; Spector, 1992). Additionally, six pairs of domestic and foreign brands across four product categories (white goods, small electrical appliances, clothing and automobiles) were included in Study II in order to establish predictive validity. A meticulous review of the literature, as presented earlier, provided the basis on which several hypotheses were developed and tested through correlation and regression analyses.

Consistent with literature findings, consumer ethnocentrism could be incorporated within the broader context of pro-social behaviour. Heavily emphasised within the relevant literature, the notion of patriotism and love towards one's country is an important source of consumer ethnocentricity (Balabanis *et al.*, 2001; Han, 1988; Lee *et al.*, 2003; Sharma *et al.*, 1995; Wall and Heslop, 1986). Olsen *et al.* (1993) have found that ethno-national identity was positively correlated with willingness to help. Based on the above empirical findings, it is anticipated that consumers that strongly categorise themselves within their nation are more ethnocentric than those that are not keen on identifying themselves as part of the nation. Thus, it is hypothesised:

H₁: Consumer Ethnocentrism will be positively correlated with ethnic categorisation.

Following from the literature indicating significant normative elements within the consumer ethnocentrism construct (Vida and Reardon, 2008), conformity to social norms is presented in the literature chapter as a vital aspect of this phenomenon. Applying the major pro-social behaviour implications in the consumer ethnocentrism studies makes evident the need to incorporate social and self image enhancement in the development of helping behaviour (Benabou and Tirole, 2004). Pearl (1954) showed that ethnocentric feelings are transmitted from significant peers, putting at the centre of the attention the interpersonal influence. Therefore, the pursuit of ideal social and self image implies conformity to norms that are inherited by the peer environment. Based on the above, the following hypothesis is developed:

H₂: Consumer Ethnocentrism will be positively correlated with interpersonal influence.

When introducing the new concept, Shimp and Sharma (1987), used the politico-economic conservatism subscale by Adorno *et al.* (1950) to support discriminant validity of the CETSCALE. Consumers that exhibited high levels of consumer ethnocentric tendencies were expected to be more conservative (Shimp and Sharma, 1987). Later evidence across multiple contexts, supported the positive correlation between consumer ethnocentrism and conservatism (Balabanis *et al.*, 2002; Sharma *et al.*, 1995; Javalgi *et al.*, 2005).

H₃: Consumer Ethnocentrism will be positively correlated with conservatism.

Past literature indicated that there was a close relationship between internationalism and empathy for people of other countries (Kosterman and Feshbach, 1989). Providing support for this relationship, Balabanis *et al.* (2002) have found that

universalism is negatively related to consumer ethnocentrism. In line with this finding, cosmopolitanism was also found to be negatively correlated with consumer ethnocentrism (Riefler and Diamantopoulos, 2008; Vida and Reardon, 2008).

H₄: Consumer Ethnocentrism will be negatively correlated with consumer cosmopolitanism.

Shimp and Sharma (1987) have determined that the defining feature of consumer ethnocentrism is morality. According to their explanation of the underlying features of the construct, consumers tend to prefer domestic products as an act of ethical action. Empirical research has indicated that consumers develop ethnocentric behaviour as a result of altruism (Hopkins and Powers, 2003; Hopkins and Powers, 2007). Pearl (1954) has showed that ethnocentric respondents tend to see themselves as possessing qualities that they would ideally like to have. Thus, ethnocentrism is expected to be related to ethical behaviour that occurs as a result of real or ideal consumer qualities. Consistent with the above, the following hypothesis is developed:

H₅: Consumer Ethnocentrism will be positively correlated with ethical idealism and ethical relativism.

Finally, CEESCALE and CETSCALE were both designed to measure consumer ethnocentric tendencies. Thus, their relationship is expected to be a positive one:

H₆: CEESCALE will be positively correlated with the CETSCALE.

To empirically examine the above hypotheses, correlations were calculated for both the consumer ethnocentrism dimensions individually and the overall score (Carver, 1989; Hull *et al.*, 1991). To account for the problem of information loss when the overall score is used (Carver, 1989), correlations with individual dimensions were also gauged. On the whole, the hypothesised relationships were supported. Relationships with the overall score confirmed hypotheses H₁-H₆. In particular, all dimensions as well as the overall score were found to be positively and significantly correlated with ethnic categorisation, interpersonal influence and the CETSCALE (Table 6.20). Conservatism was positively correlated with the total measure and Pro-Social Motivation, Threat Perceptions, Buying Inertia and Social Demonstrability of Benefits but was insignificantly correlated with the Cognitive Distortion dimension. In line with the hypothesis, cosmopolitanism was negatively related to all the dimensions of the construct as well as the total score.

Interesting conclusions could be drawn from the relationship of consumer ethnocentrism with ethical idealism and relativism. At the total measure level, both ethical idealism and ethical relativism were positively and significantly correlated with consumer ethnocentrism ($r=0.26$, $p<0.01$ for Ethical Idealism and $r=0.18$, $p<0.05$ for Ethical Relativism). The correlation with ethical idealism is stronger, indicating that ethnocentric consumers mostly view preference of domestic goods as a universal moral rule, to which all individuals should conform. Interestingly, ethical idealism and relativism were found to be insignificantly related to buying inertia, implying that the intergenerational pass of consumption patterns or habit and familiarity have been disassociated with ethical considerations. This finding suggests that when consumers prefer domestic products out of habit, familiarity or as a result of inheriting purchase

behaviour from previous generations, they do not necessarily perceive this as an ethical act. Finally, while ethical idealism was significantly correlated with Pro-Social Motivation, there was an insignificant relationship with ethical relativism. This finding suggests that the pro-social elements of consumer ethnocentrism, including patriotism, altruism and national identification, were perceived by ethnocentric consumers as common moral values, widely accepted within each nation and across all nations.

6.7 Social Desirability Bias

As already elaborated in the literature review chapter, social desirability bias could be encountered as a consequence of social identity enhancement and the efforts made from group members to be perceived as caring for the group. Thus, socially desirable responding could contaminate the results and over-present ethnocentric attitudes (Hult and Keillor, 1994). Considering evidence of positive correlation between CETSCALE scores and social desirability scores (de Ruyter *et al.*, 1998), the researcher sought to identify possible contamination of the data obtained through the new scale as a result of social desirability.

Examining the relationship between the overall score and social desirability scores, a significant but small correlation was found ($r=0.17$, $p<0.01$). Although small, this result indicates that social desirable responding could be a source of data contamination. However, due to the small correlation estimate, the impact of social desirability should not be perceived as particularly worrying. With respect to the subscales, only Pro-Social Motivation and Cognitive Distortion were found to be

affected by social desirable responding ($r=0.20$, $p<0.01$ for Pro-Social Motivation and $r=0.16$, $p<0.01$ for Cognitive Distortion).

Table 6.20: Nomological Validity – Correlations with CEESCALE Dimensions and Total Score

| | Study | Items | Cronbach's Alpha | Pro-Social Motivation | Cognitive Distortion | Threat Perceptions | Social Demonstrability of Benefits | Buying Inertia | Total Measure |
|--|-------|-------|------------------|-----------------------|----------------------|--------------------|------------------------------------|----------------|---------------|
| Ethnic Self-Categorisation (Adapted from Karasawa, 1991) | I | 7 | .802 | .603* | .462* | .218* | .314* | .408* | .534* |
| Social Desirability (Ray, 1984) | I | 8 | NA | .198* | .160** | .082 | .062 | .118 | .167** |
| Interpersonal Influence (Bearden <i>et al.</i> , 1989) | II | 12 | .891 | .251* | .244* | .155** | .251* | .401* | .313* |
| Conservatism (Ray, 1983) | II | 22 | .665 | .215* | .102 | .182* | .170* | .165* | .210* |
| CETSCALE (Shimp and Sharma, 1987) | II | 17 | .972 | .735* | .593* | .607* | .616* | .614* | .784* |
| Cosmopolitanism (Riefler and Diamantopoulos, 2008) | III | 12 | .851 | -.322* | -.357* | -.304* | -.128 | -.174** | -.339* |
| Ethical Idealism (Forsyth, 1980) | III | 10 | .879 | .248* | .274* | .157** | .216* | .087 | .259* |
| Ethical Relativism (Forsyth, 1980) | III | 10 | .831 | .115 | .099 | .164** | .190* | .125 | .177** |

*Significant at the .01 level.

**Significant at the .05 level.

6.8 Predictive Validity – Studies II and III

In line with scholarly recommendations, predictive validity was tested through the use of regressions (Smith *et al.*, 2003; Hunsley and Meyer, 2003). Aforementioned in the methodology chapter, relevant literature suggests the use of hierarchical multiple regression to test for incremental validity and thus, determine the contribution of a specific measure to the prediction of a given criterion. For the purposes of establishing predictive validity of the consumer ethnocentrism scale, the reluctance to buy foreign products scale was used (Suh and Kwon, 2002) and two countries were examined in order to account for potential country-of-origin effects. A highly developed European country, namely Germany (GDP per capita=115 in 2007), and a slightly less developed European country, Italy (GDP per capita=101 in 2007)¹, were chosen to measure consumers' reluctance to buy foreign products. Italy was also chosen as a foreign country due to the fact that it has been overlooked in consumer ethnocentrism literature either as the domestic or as the foreign market. As already developed, six pairs of domestic and foreign brands across four product categories (white goods, small electrical appliances, clothing and automobiles) were included in order for the respondents to indicate their preference. Finally, judgment of the British products was measured through the adapted scale by Darling and Arnold (1988).

Empirical findings on the consequences of consumer ethnocentrism have illustrated that the construct was significantly related to purchase intentions (Han, 1988; Klein *et al.*, 1998, Suh and Kwon, 2002; Wang and Chen, 2004). In particular, consumers with high levels of ethnocentrism tend to be unwilling to purchase foreign products (Klein *et al.*, 1998; Suh and Kwon, 2002) in order to prevent foreign businesses from

¹ Eurostat Statistics: http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-SF-08-112/EN/KS-SF-08-112-EN.PDF

growing and promote the domestic economy. Further evidence suggests that highly ethnocentric consumers are reluctant to buy foreign products (Suh and Kwon, 2002). In contrast, respondents that exhibit high levels of ethnocentrism were found to be willing to purchase (Good and Huddleston, 1995; Wang and Chen, 2004) or prefer domestic goods (Balabanis and Diamantopoulos, 2004) as a means of promoting the domestic economy and helping fellow workers. In line with the above findings, the following hypotheses are developed:

H₇: The more ethnocentric a consumer is, the higher his/her reluctance to buy foreign products will be.

H₈: The more ethnocentric a consumer is, the higher his/her preference for domestic brands will be.

As already developed, one of the core elements of consumer ethnocentrism are the biased judgments of domestic and foreign goods. Specifically, people that exhibit high levels of consumer ethnocentrism were found to negatively evaluate foreign products (Klein et al., 1998; Yu and Albaum, 2002). Empirical evidence brought to light another significant finding; even when foreign products/brands are superior, highly ethnocentric consumers tend to upgrade the competing domestic goods rather than downgrade the foreign ones (Supphellen and Rittenburg, 2001). However, qualitative inquiry implemented within this thesis indicated that consumers were willing to purchase domestic goods even in the absence of positive product judgment. Thus, consistent with the most recent findings, the following hypothesis is formed:

H₉: The level of ethnocentrism will not have an impact on judgement of domestic goods.

Demographics (gender, age, education, income and region) were inserted in the regression analyses as control variables, in order to examine the explanatory power of consumer ethnocentrism over and above the impact of those variables (Balabanis *et al.*, 2001; Herche, 1994). Multicollinearity was assessed through the tolerance and Variance Inflation Factor (VIF) levels. Tolerance was well above 0.10 and VIF levels below the suggested value of 10 for all estimated regressions, indicating no multicollinearity problems (Cohen *et al.*, 2003; Hair *et al.*, 1998). Thus, confidence is enhanced for the yielded beta and p values. As expected, the overall consumer ethnocentrism score was significantly and positively related to reluctance to buy both German and Italian products ($\beta=0.53$ for German and $\beta=0.58$ for Italian products, $p<0.01$), confirming H₇ (Table 6.21). The standardised regression coefficients indicate a stronger relationship with reluctance to buy Italian compared to German products. A possible explanation for this result could be found in the mediating role of country-of-origin effects (Shankarmahesh, 2006). Consumers tend to view German products more favourably than Italian alternatives and thus, the impact of consumer ethnocentrism on reluctance to buy the German goods is weakened. With respect to the individual dimensions, threat perceptions and social demonstrability of benefits did not have an impact on reluctance to buy German and Italian products. The lack of significant relationships with the two dimensions, indicate that Perceived Threat and the suggestions made by social institutions do not result in reluctance to buy foreign goods; Pro-Social Motivation, Cognitive Distortion and Buying Inertia are the elements of consumer ethnocentrism that give rise to reluctance to purchase any foreign product.

As hypothesised, consumer ethnocentrism was found to have a positive and significant relationship with preference for local brands ($\beta=0.35$, $p<0.01$), providing support for H₈. Investigating the individual dimensions, only Pro-Social Motivation and Social Demonstrability of Benefits act as drivers towards preference for domestic brands.

Table 6.21: Predictive Validity – Standardised Coefficients

| | Study | Items | Cronbach's Alpha | Pro-Social Motivation | Cognitive Distortion | Threat Perceptions | Social Demonstrability of Benefits | Buying Inertia | Total Measure |
|---|-------|-------|------------------|-----------------------|----------------------|--------------------|------------------------------------|----------------|---------------|
| Reluctance to Buy Foreign-Germany (Suh and Kwon, 2002) | II | 2 | 0.873 | 0.231** | 0.215* | 0.132 | -0.060 | 0.238* | 0.527* |
| Reluctance to Buy Foreign-Italy (Suh and Kwon, 2002) | II | 2 | 0.853 | 0.221* | 0.206* | 0.037 | 0.000 | 0.244* | 0.584* |
| Preference for Local Brands | II | 6 | NA | 0.239** | -0.037 | -0.004 | .0174** | 0.041 | 0.353* |
| Product Judgment-British Products (Adapted by Darling and Arnold, 1988) | III | 6 | 0.602 | 0.163 | 0.254* | 0.114 | -0.026 | -0.030 | 0.388* |

*Significant at the .01 level

**Significant at the .05 level

H₉ was not supported through the regression analysis. Contrary to the expectations of insignificant relationship, judgments of the British products were found to be influenced by levels of ethnocentrism. The overall score of the scale was positively related to judgments of the British products ($\beta=0.39$, $p<0.01$), providing support in past evidence associating higher levels of ethnocentrism with more positive judgments of domestic goods. The investigation of the dimensions, indicates that only the cognitive distortion element acts as a driver towards more positive assessment of domestic products ($\beta=0.25$, $p<0.01$).

In order to provide empirical evidence in support of the superiority of the new scale, the predictive validity of the CEESCALE was compared with the established CETSCALE. Hierarchical regressions were once again gauged with reluctance to buy German and Italian products and preference for local brands serving as the dependent variables. Demographics were again entered first to provide a '*baseline model*' (Balabanis *et al.*, 2001), followed by the CETSCALE in the second block and the five consumer ethnocentrism dimensions as the last block. The results indicate better predictive validity of the new scale for all the three dependent variables examined (Tables 6.22-6.24).

In particular, investigating the incremental contribution of (ΔR^2) of CETSCALE and CEESCALE with respect to reluctance to buy German products, it is found that there is a significant enhancement in the explanatory power of consumer ethnocentrism when CEESCALE is entered in the analysis ($\Delta R^2=0.18$, $p<0.01$). The amount of variation in reluctance to buy German products is enhanced by the incorporation of the new consumer ethnocentrism scale; variance explained by CETSCALE is 18.3 percent, while the proportion is significantly enhanced with the inclusion of the new

scale, reaching 36 percent. The same pattern is observed when reluctance to buy Italian products is investigated; regression analysis indicated that there is a significant change in the incremental contribution of CEESCALE ($\Delta R^2=0.17$, $p<0.01$). This result provides significant support for the enhanced predictive validity of the new scale when reluctance to buy foreign products is investigated as the dependent variable.

When comparing the results yielded for reluctance to buy German products and Italian products, a significant difference in the amount of the variation explained by the new scale is observed. In particular, CEESCALE seems to explain better the reluctance to buy Italian products ($R^2=0.43$) rather than German products ($R^2=0.36$). This difference could again be explained through the mediating role of country of origin effects (Shankarmahesh, 2006).

The investigation of the hierarchical regression results with respect to preference of local brands (Table 6.24) indicates that explanatory power of the new scale is superior when compared with the CETSCALE ($\Delta R^2=0.04$, $p<0.05$). In particular, while CETSCALE accounts for 13.2 percent of the variance explained, the incorporation of the new scale in the analysis increase the proportion of the variance explained to 17.5 percent.

Table 6.22: Predictive Validity-Reluctance to Buy German Products

| Step | Predictors | R ² | ΔR ² |
|------|--------------|----------------|-----------------|
| 1 | Demographics | 0.071 | - |
| 2 | CETSCALE | 0.183 | 0.112* |
| 3 | CEESCALE | 0.360 | 0.177* |

| Independent Variables | B | Std. Error | Beta | Sig. T |
|------------------------------------|--------|------------|--------|--------|
| Gender | 0.136 | 0.273 | 0.026 | 0.618 |
| Age | 0.061 | 0.156 | 0.023 | 0.697 |
| Education | -0.058 | 0.074 | -0.044 | 0.435 |
| Income | -0.029 | 0.133 | -0.013 | 0.825 |
| Region | 0.062 | 0.051 | 0.064 | 0.226 |
| CETSCALE | -0.014 | 0.011 | -0.108 | 0.202 |
| Pro-Social Motivation | 0.103 | 0.036 | 0.271 | 0.005 |
| Perceived Threat | 0.015 | 0.041 | 0.027 | 0.710 |
| Cognitive Distortion | 0.139 | 0.049 | 0.221 | 0.004 |
| Social Demonstrability of Benefits | -0.025 | 0.043 | -0.041 | 0.573 |
| Buying Inertia | 0.166 | 0.049 | 0.256 | 0.001 |

*Significant at the .01 level

Table 6.23: Predictive Validity- Reluctance to buy Italian Products

| Step | Predictors | R ² | ΔR ² |
|------|--------------|----------------|-----------------|
| 1 | Demographics | 0.096 | - |
| 2 | CETSCALE | 0.250 | 0.164* |
| 3 | CEESCALE | 0.425 | 0.165* |

| Independent Variables | B | Std. Error | Beta | Sig. T |
|------------------------------------|--------|------------|--------|--------|
| Gender | -0.100 | 0.257 | -0.020 | 0.698 |
| Age | 0.068 | 0.147 | 0.025 | 0.643 |
| Education | -0.112 | 0.070 | -0.085 | 0.110 |
| Income | -0.015 | 0.126 | -0.007 | 0.905 |
| Region | 0.075 | 0.048 | 0.078 | 0.120 |
| CETSCALE | -0.004 | 0.010 | -0.035 | 0.658 |
| Pro-Social Motivation | 0.089 | 0.034 | 0.234 | 0.010 |
| Perceived Threat | 0.024 | 0.039 | 0.042 | 0.538 |
| Cognitive Distortion | 0.130 | 0.046 | 0.208 | 0.005 |
| Social Demonstrability of Benefits | 0.004 | 0.041 | 0.006 | 0.929 |
| Buying Inertia | 0.161 | 0.046 | 0.250 | 0.001 |

*Significant at the .01 level.

Table 6.24: Predictive Validity- Preference for Local Brands

| Step | Predictors | R ² | ΔR ² |
|------|--------------|----------------|-----------------|
| 1 | Demographics | 0.047 | - |
| 2 | CETSCALE | 0.132 | 0.084* |
| 3 | CEESCALE | 0.175 | 0.044** |

| Independent Variables | B | Std. Error | Beta | Sig. T |
|--|-------|------------|-------|--------|
| Gender | -0.06 | 0.16 | -0.02 | 0.72 |
| Age | 0.21 | 0.09 | 0.15 | 0.02 |
| Education | 0.01 | 0.04 | 0.02 | 0.73 |
| Income | -0.05 | 0.08 | -0.05 | 0.49 |
| Region | 0.01 | 0.03 | 0.03 | 0.67 |
| CETSCALE | 0.00 | 0.01 | 0.07 | 0.47 |
| Pro-Social Motivation | 0.04 | 0.02 | 0.21 | 0.05 |
| Perceived Threat | 0.00 | 0.02 | -0.02 | 0.85 |
| Cognitive Distortion | -0.01 | 0.03 | -0.04 | 0.64 |
| Social Demonstrability of Benefits | 0.05 | 0.03 | 0.16 | 0.05 |
| Buying Inertia | 0.01 | 0.03 | 0.03 | 0.73 |

*Significant at the .01 level

**Significant at the .05 level

6.9 CEESCALE and Demographic Variables – Studies II and III

Following from existing literature on the relationship between consumer ethnocentrism and demographics, the relationships between CEESCALE scores and gender, age, education, income and region were investigated. Aforementioned in the literature review chapter, the relationships with different demographic variables were widely discussed. These relationships formed the foundations on which hypotheses were developed.

In particular, based on evidence from different disciplines, women were found to be more focused on social harmony (Triandis *et al.*, 1985). Applying this finding in the international consumer behaviour context, one would expect women to be more concerned about the national economy and domestic workers. Consistent with the above expectation, consumer ethnocentrism studies across multiple cultural contexts indicate that women tend to be more ethnocentric than men (Javalgi *et al.*, 2005; Kaynak and Kara, 2002; Klein and Ettenson, 1999; Sharma *et al.*, 1995; Vida and Fairhurst, 1999; Watson and Wright, 2000). Thus, it is hypothesised:

H₁₀: Women will be more ethnocentric than men.

With respect to age, Tragos (1998) has found that younger generations are adapting to the new environment, while older people are keen on maintaining their established consumption patterns. Thus, it is expected that younger consumers are less ethnocentric than older consumers. Numerous studies have supported the expected relationship (Balabanis *et al.*, 2001; Chrysochoidis *et al.*, 2007; Leonidou *et al.*, 1999; Orth and Firbasova, 2003; Vida and Fairhurst, 1995; Witkowski, 1998) and indicated

a positive correlation between consumer ethnocentrism levels and age. In line with the above the following hypothesis is formed:

H₁₁: CEESCALE scores will be positively correlated with age.

With the increase of income, people tend to travel more and consequently, they tend to adopt more cosmopolitan views and be more receptive towards foreign products (Sharma *et al.*, 1995). Based on this last statement, a negative correlation between consumer ethnocentrism and income is expected. A significant number of empirical studies provided support to the expected correlation (Good and Huddleston, 1995; Klein and Ettenson, 1999; Kucukemiroglu, 1999; Sharma *et al.*, 1995; Wall and Heslop, 1986). Thus, it is hypothesised:

H₁₂: CEESCALE scores will be negatively correlated with income.

As individuals move to more advanced educational levels, they tend to become more familiar with other cultures and thus, more acquainted with their products. In line with this, a negative relationship is expected to be found between consumer ethnocentrism and education; the more educated a consumer is, the less ethnocentric he/she will be. Empirical support for this relationship is again found in various countries (Kaynak and Kara, 2002; Kucukemiroglu, 1999; Piron, 2002; Sharma *et al.*, 1995; Ueltschy, 1998; Vida and Fairhurst, 1999). Consistent with past literature:

H₁₃: CEESCALE scores will be negatively correlated with education.

Empirical evidence from the consumer ethnocentrism domain illustrated differences according to the level of economic development of the host or the home country. In particular, consumers within a developing country are more likely to exhibit

favourable attitudes towards products from developed countries (Kaynak *et al.*, 2000; Leonidou *et al.*, 1999). As nations move to more advanced stages of economic development, they become more confident about the quality of their products and thus, they develop a preference for the domestic products (Good and Huddleston, 1995; Zhou and Hui, 2003). Consequently, the following hypothesis is formed:

H₁₄: CEESCALE scores will be positively correlated with levels of economic development.

Correlations were gauged between CEESCALE scores and gender, age, education, income and region using the data obtained for Studies II and III. In order to investigate the relationship between consumer ethnocentrism and developed and developing regions, two groups of regions (poorer and wealthier) were created based on Gross Value Added (GVA), as already stated in the methodology chapter. The results are presented in Table 6.25. Both studies provided support only for H₁₃, illustrating that consumer ethnocentrism levels decrease as consumers move to higher education levels. The negative relationship between consumer ethnocentrism and income (H₁₂) was validated only through Study II ($r=-0.207$, $p<0.01$), while Study III yielded insignificant results. Wealthier regions were found to be more ethnocentric than poorer regions (H₁₄) only in Study III ($r=0.219$, $p<0.01$). On first assessment, the relationships of consumer ethnocentrism with income and regional wealth seem to contradict each other. However, English people with similar characteristics tend to live in the same postcode areas and regions. Consequently, it could be possible for people in wealthier regions and low income people to be the most ethnocentric ones. Finally, gender and age failed to provide significant results in both studies. Although

past literature suggested that there are inconsistencies across nations, this research illustrated that inconsistent results could occur within the same country.

Table 6.25: Correlations of Demographic Variables with CEESCALE Score

| Demographic Variables | Study II | Study III |
|------------------------------|-----------------|------------------|
| Gender | 0.072 | -0.040 |
| Age | 0.070 | 0.057 |
| Education | -0.237* | -0.138** |
| Income | -0.207* | -0.031 |
| Region | 0.047 | 0.219* |

*Significant at the .01 level

**Significant at the .05 level

6.10 Conclusion

This chapter opened with the analysis at the item level, providing results of item-to-total correlations and reliability estimates. Following the elimination of several items, EFA was performed and a five factor model with 33 items was identified. CFA was then performed and through iterative respecification procedures, a five factor model with 17 items was supported through satisfactory fit indices. A second order model with the extended consumer ethnocentrism acting as the higher order construct was estimated and again found to satisfactorily represent the data. A replication of the scale confirmed the robustness of the scale. Alphas and construct reliabilities were gauged to ensure internal consistency. The chapter concluded with the establishment of construct validity, investigating discriminant, convergent, nomological and

predictive validities. The comparison of the explanatory power of the new, extended consumer ethnocentrism scale (CEESCALE) and the CETSCALE using three different dependent variables illustrated the superiority of the predictive validity of the developed scale.

CHAPTER SEVEN:

DISCUSSION

7.1 Introduction

The previous chapter provided a comprehensive account of the different analytical tools used for the development of the CEESCALE. Following the establishment of construct validity, the superiority of the CEESCALE to the CETSCALE was supported through better predictive validity estimates. Although the original item pool was developed to tap seven dimensions, the CEESCALE consists of five dimensions and 17 items. The altruism/solidarity, patriotism/national identity and morality dimensions were found to form one factor, named pro-social motivation. The extended consumer ethnocentrism construct and consequently the CEESCALE incorporated innovative aspects, such as impure altruism, buying inertia and social demonstrability of benefits. This chapter aims to discuss the major implications arising from the extended consumer ethnocentrism dimensions under the light of the multi-disciplinary literature presented in Chapter 2. In addition, it elaborates on the distinguishing dimensions of the CEESCALE when compared to the CETSCALE.

7.2 Exploring the CEESCALE Dimensions

In an attempt to identify the extended boundaries of consumer ethnocentrism, a multidisciplinary literature review was conducted. Theories from social and political psychology and sociology constituted the foundations upon which the new, extended consumer ethnocentrism construct was developed. The qualitative enquiry shed more light on the contemporary meaning and incidence of consumer ethnocentrism, bringing to light a dimension that was not identified through literature, namely buying inertia. Following from a recent study on the facets of consumer ethnocentrism, affective, cognitive and normative aspects (Vida and Reardon, 2008) were investigated under the light of different disciplines. The rigorous analysis that followed the collection of survey data resulted in a new consumer ethnocentrism scale, consisting of five factors and 17 items. Interestingly, literature review provided evidence for the increased significance of specific aspects that were then found to be less significant through the subsequent factor analyses performed.

7.2.1 Affective Dimensions

Current consumer ethnocentrism literature is overwhelmed by studies investigating different affective aspects, including patriotism and nationalism (Balabanis *et al.*, 2001; Han, 1988; Lee *et al.*, 2003) and morality and altruism (Hopkins and Powers, 2003; Hopkins and Powers, 2007; Shimp and Sharma, 1987). Although originally conceptualised as distinct factors, exploratory analysis illustrated that these form a single factor, which was consequently named pro-social motivation to address the

close relationship between consumer ethnocentrism and pro-social behaviour (Powers and Hopkins, 2006).

During the first stages of scale development, the dimension of patriotism/national identity was purposely defined in broader terms to address both patriotism and nationalism. This dimension was developed to also tap national identity considerations, as part of patriotism. Within the consumer ethnocentrism domain, empirical findings indicated that both nationalism and patriotism could be related to consumer ethnocentricity, depending on the cultural context (Balabanis *et al.*, 2001). Social psychology literature illustrates that patriotism could give rise to nationalism when nations feel threatened (Doob, 1964). Considering that past literature suggests that perceived threat is an antecedent of consumer ethnocentrism (Olsen *et al.*, 1993; Shankarmahesh, 2006), the link of consumer ethnocentrism with nationalism becomes evident. In line with the above theories, Lee *et al.* (2003) found that after the terrorist attacks of 11 September 2001, nationalistic rather than patriotic sentiments gave rise to consumer ethnocentrism. Summarising, literature and qualitative evidence obtained suggested that both patriotism and nationalism are aspects of consumer ethnocentrism, depending on the context under investigation and the salience of threat. Thus, items that tapped both patriotism and nationalism were developed to address the gap of past conceptualisation, which failed to identify nationalism as a consumer ethnocentrism dimension. Additionally, the dynamic nature of patriotism was also addressed in the development of the first item pool.

Within the pro-social motivation factor, exploratory and confirmatory factor analyses resulted in two items tapping the patriotism/national identity aspect of consumer ethnocentrism (Item 4: A real Briton should always back the British products and Item 1: Buying British goods helps me maintain my British identity). Although the original item pool included items that addressed nationalism more bluntly (Item 6 in Table 6.14) and items that encapsulated the conditional nature of patriotism (Item 14 in the Table 6.14), these were eliminated during factor analyses. Items were developed in order to also tap the national identity aspect (Items 29 and 40 in Table 6.14). Although based on literature and qualitative findings, nationalism and conditional patriotism were expected to constitute important facets of the extended consumer ethnocentrism, the consequent analysis failed to provide support for these relationships. In contrast, the national identity aspect found empirical support and was included in the CEESCALE (Item 1, Table 6.12)

An issue that raised significant amount of interest during the literature review was the aspect of impure altruism. Although past studies suggested that pure altruism is the defining feature of consumer ethnocentrism (Hopkins and Powers, 2003; Hopkins and Powers, 2007; Shimp and Sharma, 1987), underpinnings from different principles pointed to the need to incorporate impure altruism in a broader altruism dimension. Contrary to pure altruism, which implies that no reward is expected for actions taken towards the common good, impure altruism entails social and self identity enhancement aspirations as well as material self-interest (Benabou and Tirole, 2004). Yet, current consumer ethnocentrism literature failed to acknowledge the situational or conditional nature of altruism or solidarity. Drawing from Ostrom's typologies (2000), the impact of conditional altruism on pro-social behaviour was investigated.

Empirical evidence in support of the relationship between consumer ethnocentrism and self-interest could be found in a study undertaken in the Czech Republic and Turkey (Balabanis *et al.*, 2002). Qualitative findings within this research provided empirical support for the impact of impure altruism, emphasising the role of personal relevance for the development of helping behaviour towards the domestic workers.

Addressing the need for a broader dimensionalisation of consumer ethnocentrism, the item pool included items that tapped the aspects of impure altruism and conditional altruism as a result of pursuing personal interests. For example Item 23, (I am not interested in helping the British workers because I will not personally benefit from this action) addresses impure altruism, while Item 22 (I would only pay a high price for certain British products that are severely hurt by foreign competition), captures the conditional nature of altruism. Confirming the literature findings, a general aspect of impure altruism was captured through Item 3 of the CEESCALE (It always makes me feel good to support our products), providing significant support for the impact of self enhancement on the development of ethnocentric tendencies. However, contrary to literature and qualitative findings, the subsequent factor analysis resulted in the elimination of items that clearly addressed conditional altruism or solidarity.

The conceptualisation of consumer ethnocentrism by Shimp and Sharma (1987) was based on the foundations of morality. Drawing from the definition of the concept, ethnocentric consumers perceived the support of domestic goods as a moral duty, while heavily criticised others that preferred foreign products. Although morality was mainly addressed through altruism and solidarity in past studies (Hopkins and Powers,

2003; Hopkins and Powers, 2007), this study addressed morality as a distinct factor. Thus, the item pool developed included items that addressed morality and moral duty directly and not through the vehicle of altruism/solidarity. For example, Item 80 in Table 6.14 (Our moral principles dictate the consumption of domestic goods), emphasise the theory-driven relationship between consumer ethnocentrism and morality. Qualitative evidence provided further support for the significance of morality. Yet, special attention was placed during the interviews on the conditional nature of moral duty. Consequently, based on the literature and qualitative findings, conditional morality was addressed in a similar manner as in the case of conditional solidarity/altruism (Item 72: There are certain situations in which I find buying foreign goods as wrong and others that I do not perceive it as such).

Consistent with the expectations of the increased significance of morality within the concept of consumer ethnocentrism, one item, tapping the distinct morality dimension survived the item and factor analyses and consequently was included in the CEESCALE (Item 2 of the CEESSCALE: I believe that purchasing British goods should be a moral duty of every British citizen). This finding expands the boundaries of consumer ethnocentrism and directly addresses the morality facet, as suggested by past literature. However, the conditional nature of morality did not materialise in the CEESCALE. Parallel to results regarding conditional altruism and solidarity, the analyses performed failed to provide significant empirical support for the relationship of conditional morality with consumer ethnocentrism.

Focusing more on the operationalisation of consumer ethnocentrism, the CEESCALE was designed to capture an enhanced set of affective elements. The CETSCALE was found to be a unidimensional measure, a result which was cross-validated in several contexts. Although unidimensional, different affective components of the consumer ethnocentrism dimension were captured through this self-report measure. In particular, past operationalisation through the CETSCALE tapped patriotism (eg., Item 7: A real American should always buy American-made products) and pure altruism (eg., Item 13: It may cost me in the long run but I prefer to support American products). Morality was addressed indirectly, through items that emphasised obligation (eg., Item 1: American people should always buy American-made products instead of imports) or solidarity towards domestic workers (Item 17: American consumers who purchase products made in other countries are responsible for putting their fellow Americans out of work). In contrast, the CEESCALE directly addresses morality. In particular, item 2 of the CEESCALE is directly associating purchase of domestic goods with moral duty. Similarly to the CETSCALE, patriotism and solidarity were also captured in the CEESCALE. Acknowledging the multidimensionality of the factors encouraging pro-social behaviour, the CEESCALE also taps impure altruism. As already developed, Shimp and Sharma (1987) developed the measure of consumer ethnocentrism using underpinnings of pure altruism solely. The new scale bridges this gap by including an item capturing the self-enhancement aspect of pro-social behaviour (Item 3: It always makes me feel good to support our products).

7.2.2 Cognitive Dimensions

The strong ties between consumer ethnocentrism and perceived threat have been established in numerous empirical studies (Festervand and Sokoya, 1994; Klein and Etteson, 1999; Sharma *et al.*, 1995). Imported goods are perceived as threat to the domestic economy and consumer ethnocentricity represents the defensive technique for protecting the jobs of the domestic workers. Perceived threat has been introduced in literature either as a moderator (Sharma *et al.*, 1995) or as an antecedent (Olsen *et al.*, 1993; Shankarmahesh, 2006). In line with the definition by Shimp and Sharma (1987) and the implications arising from the basic principles of consumer ethnocentrism, threat is considered as a core element of the concept, being an inseparable part of its content domain. The multidisciplinary literature review confirmed previous studies that emphasised the role of threat within the consumer ethnocentrism domain. However, insights from sociology brought to light the significant differences observed with respect to the status of the groups (Mullen *et al.*, 1992; Ng, 1982). Sociological evidence indicated that groups which differ in their status, perceive threat differently. Transferring these sociological underpinnings within the consumer ethnocentrism domain, gives support to another important finding already presented in literature; consumers within developing countries- low status groups within the domain of sociology- are found to prefer products from developed countries -high status groups- (Agbonifoh and Elimimian, 1999; Kaynak *et al.*, 2000; Leonidou *et al.*, 1999).

Threat was conceptualised within the wider consumption context and linked with domestic and foreign product purchase. Consequently, the items that addressed the

dimension of threat were designed to correspond to established relationships with general economic considerations, job losses and national identity concerns. Differences in the perceptions of threat due to variations in the stages of economic development could not have been addressed in the item pool. Application of the CEESCALE in multicultural contexts is suggested in order to provide support for the differences between developed and developing nations and their attitudes towards foreign products. Focusing on the qualitative evidence regarding threat, it was verified that consumption of foreign products was partly a result of threat perceptions. Interview results indicated that consumers associate preference and consumption of foreign products with job losses and a general negative impact on the domestic economy. Interestingly, within the course of the interviews, the issue of personal threat was raised. A number of interviewees distinguished between national and personal threat and emphasised that they are willing to buy domestic products only when they feel personal threat. The underpinnings of such findings provide further support for the significant role of impure altruism within the consumer ethnocentrism context. Thus, drawing on the theoretical and empirical evidence for the significance of impure altruism, the item pool included items that tapped the issue of personal threat.

Confirming past evidence, perceived threat was found to be a core dimension of consumer ethnocentrism. In line with expectations based on existing literature and interview results, threat perceptions materialised as a distinct factor and involved perceived threat with respect to the domestic economy in general and concerns regarding job losses (Items 9-11 in Table 6.12). However, the personal threat that was initially included in the item pool did not find statistical support for its significance as

an aspect of consumer ethnocentrism. Although the impure altruism aspect of consumer ethnocentrism was found to be an important element of the pro-social motivation dimension, results of the factor analyses did not validate the impact of personal threat as a significant element of the threat perceptions dimension.

Interdisciplinary literature review shed more light on consumers' tendencies to rate domestic products higher. Theories and empirical evidence from psychology and in particular the literature on stereotype development provided the conceptual basis on which cognitive distortion was developed. Valuable conclusions were drawn from evidence on ethnocentrism suggesting that ingroup favouritism is not necessarily accompanied by outgroup derogation (Brewer and Cambell, 1976; Heaven *et al.*, 1984; Raden, 2003). Within the consumer ethnocentrism domain, empirical results confirmed the findings from the ethnocentrism studies and indicated that there are cases in which consumers exhibit outgroup favouritism rather than derogation (Agbonifoh and Elimimiab, 1999). Research on consumer evaluations on foreign and domestic products illustrated that preference of domestic products does not essentially imply stereotypic associations. For example, empirical evidence from Poland indicated that although consumers appreciate the superiority of the foreign products, they still prefer the domestic alternatives (Supphellen and Rittenburg, 2001). The concept and implications arising from the 'aversive racist' (Gaertner and Dovidio, 1986) provided important insights into the incidence of the extended consumer ethnocentrism. Providing further support for the impact of self interest in the development of ethnocentric behaviour, aversive racism assumes that people are engaged in a pursuit of self interest and develop ethnocentric attitudes as a means of satisfying personal aspirations.

The qualitative findings verified past literature indicating the product category specificity of consumer ethnocentrism (Balabanis and Diamantopoulos, 2004; Herche, 1992; Kaynak and Cavusgil, 1983; Leonidou *et al.*, 1999; Thelen *et al.*, 2006). The vast majority of the interviewees were found to rate only certain British products as superior. In addition, in line with Supphellen's and Rittenburg's (2001) results, interviews showed that preference of domestic goods can occur as a result of consumer ethnocentrism without the development of stereotypic associations.

Parallel to the process followed with respect to addressing the totality of the aspects within each dimension, the item pool developed addressed the conditional and product specificity of cognitive distortion (Item 10 in Table 6.14). The absence of stereotypic associations was also captured through Items 32 and 37 (Table 6.14). The various statistical analyses performed on the survey data validated the significance of cognitive distortion as a facet of the extended consumer ethnocentrism construct (Items 6-8 in Table 6.12). However, contrary to the expectations of the product specificity and absence of stereotypic associations, the relevant items failed to provide significant statistical support in order to be included in the CEESCALE. Therefore, these items were eliminated in the item and exploratory factor analyses.

Although cognitive distortion was found to be an important aspect of consumer ethnocentrism in the past, the CETSCALE failed to capture this aspect. Addressing this gap, the CEESCALE captures cognitive distortion by addressing it as a distinct factor (Items 6-8). Contrary to cognitive distortion, threat perceptions were represented in both the CETSCALE and CEESCALE to indicate concerns regarding

unemployment and job losses as a result of increased importation. In addition, the CEESCALE expanded threat perceptions by including an item that captured concerns over the domestic economy in general rather than simply focusing on unemployment. The CETSCALE limited threat to consumers' associations of imported products with job losses in the domestic market. However, it is found that more general concerns about the domestic economy are an essential cognitive element of the extended consumer ethnocentrism and were thus captured in the CEESCALE.

7.2.3 Normative Dimensions

Following from findings of impure altruism, the normative aspect of conformity to social norms was found through literature review to constitute a vital dimension of consumer ethnocentrism. Although the definition and prior conceptualisation of consumer ethnocentrism implies strong normative aspects, relevant studies failed to rigorously investigate these aspects. Past evidence suggests that consumers unconditionally comply with established social norms demanding the support of domestic goods. The link however with impure altruism (Benabou and Tirole, 2004) brings to light significant evidence of conditional conformity. Empirical studies indicated that manifestation of one's love towards his/her country differs according to different situations (Li and Brewer, 2004).

Qualitative findings helped to reduce the scope of conformity to social norms and indicated that the demonstrability of the benefits arising from the support of domestic

products constituted the most important contemporary normative facet of consumer ethnocentrism. Statistical analysis on the survey data confirmed the literature and qualitative results. The normative dimension materialised in the CEESCALE, with three items emphasising the value of social demonstrability as a motive towards the support of domestic products (Items 12-14 in Table 6.12).

Buying inertia was a consumer ethnocentrism facet that the multidisciplinary literature review failed to reveal. Qualitative findings however, indicated that consumers tend to 'inherit' consumption patterns by their family, prefer products that they are more familiar with or develop consumption habits. In line with Fazio (2001), consumers were found to reduce cognitive thinking through automatic activation of attitudes. Based on automatic activation of attitudes and stereotype underpinnings, the three aforementioned consumer tendencies were grouped to form one factor, namely buying inertia. Providing support for the importance of buying inertia as a consumer ethnocentrism dimension, item and factor analyses highlighted the increased significance of inheritance, familiarity and habit in consumption (Items 15-17 in Table 6.12).

Summarising, the CETSCALE had failed to tap any normative aspects. Although the conceptualisation of consumer ethnocentrism had strong normative implications, the past measurement instrument did not address the influence of the social environment. Normative aspects of the extended consumer ethnocentrism concept were captured through two distinct factors, namely social demonstrability of benefits and buying

inertia, indicating that consumers could exhibit ethnocentric behaviour as a result of societal forces.

7.3 Conclusion

This chapter provided a comprehensive account of the findings based on the literature presented in Chapter 2. Applying the major literature underpinnings on the statistical results yielded for the development of the CEESCALE, it is evident that there were variations with respect to the aspects indicated by literature and those that were captured by the CEESCALE items. In particular, although impure altruism was found to be an important consumer ethnocentrism aspect as suggested by literature, conditional morality and cognitive distortion failed to materialise in the CEESCALE. Buying inertia and conformity to social norms, operationalised through social demonstrability of benefits, constituted novel consumer ethnocentrism facets, which materialised as distinct consumer ethnocentrism dimensions. Additionally, the major differences between the CETSCALE and the new CEESCALE facets were identified in an attempt to reinforce the expanded operationalisation of the enhanced consumer ethnocentrism concept. The final chapter will present a meticulous discussion of the theoretical and managerial implications arising from the development of the CEESCALE. Limitations and avenues opened for further research will also be provided in an attempt to stimulate more research on the extended consumer ethnocentrism construct.

CHAPTER EIGHT:

CONCLUSION

8.1 Introduction

The preceding chapter provided a detailed analysis of the CEESCALE dimensions under the light of the multidimensional literature review performed earlier. Consistent with prior work on the scale development process (Churchill 1979; Gerbing and Anderson, 1988), both qualitative and quantitative techniques have been applied. The purpose of this final chapter is to depict the different stages of the research, providing a comprehensive overview of the procedures followed. The part that follows the summary of the research focuses on the theoretical and managerial implications of this study, providing sound justification for the contribution of the study both within theoretical and practical contexts. Finally, the limitations of this study and avenues opened for further research are identified in an effort to stimulate more research towards providing more advanced insights into the concept of consumer ethnocentrism.

8.2 A Synopsis of the Study

This study began with a meticulous review of the literature, amalgamating theories from the consumer ethnocentrism, sociology and social and political psychology

domains. The interdisciplinary nature of the literature review brought to light significant gaps in the conceptualisation and consequently the measurement of the consumer ethnocentrism construct. To address the need for a construct that corresponds to contemporary markets and encapsulates all the aspects indicated by the literature, an extended version of consumer ethnocentrism has been introduced.

Following an adaptation of Churchill's paradigm, the scale development process began with an investigation into the extended consumer ethnocentrism construct. The dimensionalisation of the construct was based on both past literature of consumer ethnocentrism and qualitative findings. Nineteen in-depth interviews were conducted with English consumers to understand the aspects and incidence of the phenomenon. Non-random, judgment sample was recruited for the purposes of yielding richer data (Churchill, 1979). Coding reliability was established using simple agreement and Scott's pi coefficients. The main advantage of the selected coefficients lay in the fact that they provided a quantified form of the quality of the coding.

The interview findings provided support to the literature review and indicated the co-existence of affective, cognitive and normative dimensions within the concept of consumer ethnocentrism. Buying inertia, although not identified in the literature, was found to a significant normative aspect of consumer ethnocentrism. In particular, affective dimensions incorporated the concepts of patriotism and national identity, morality, solidarity and altruism. Cognitive dimensions included cognitive distortion and threat perceptions, while normative aspects encapsulated the concepts of social demonstrability of benefits and buying inertia.

Following the identification of the construct's dimensions, 206 items were developed, to tap each one of the identified dimensions. A Likert-type response format was chosen and seven response categories were included in the questionnaire. Following the design of the first instrument, the researcher opted for expert screening in order to ensure content validity. In total eleven judges provided their ratings with respect to four criteria, namely representativeness, relevance, specificity and clarity (Haynes *et al.*, 1995). Through rigorous analysis and the calculation of intraclass correlation coefficients, 101 items were retained based on satisfactory levels of content validity.

The next stage involved the pretesting of the questionnaire, implemented through two different methods. Thinkalouds and respondent debriefings were applied in order to identify semantic and general problems with the respondent tasks. A convenience sample (Oksenberg *et al.*, 1991) of twelve English consumers was used for the pre-testing and pretesting activities. Nineteen items were eliminated after concluding that their deletion would not hamper the construct's multidimensionality, bringing the number of items retained for Study I to 82.

The data for the first large scale survey (Study I) was collected through a variation of the mall-intercept technique (Verlegh, 2007). Consumers in a large shopping centre in Birmingham, where the busiest train station is also housed, were approached and asked for their cooperation. Upon their agreement, they were provided with the questionnaire and a self-addressed pre-paid envelope for the return of their responses. In total, 204 questionnaires were used to perform the preliminary item analyses and

the exploratory factor analysis (Floyd and Widaman, 1995; Gerbing and Anderson, 1988; Netemeyer *et al.*, 2003). EFA indicated a five-factor model with 33 items.

Studies II and III were carried out simultaneously to eliminate time requirements. Study II was decided to be used for the development of the scale and Study III for replicating the results (Netemeyer *et al.*, 2003). Different scales were incorporated into Study II and Study III to allow for a more meticulous assessment of the scale's validity. Mail surveys were designed and stratified cluster technique was applied as the sampling method. The data collected through this method was inadequate for the application of Structural Equation Modeling and Confirmatory Factor analysis. Therefore, online surveys were then developed to complement the existing data. Online survey was preferred at this stage due to its advantage of collecting data within a short period of time. The comparison of the mail and the online samples indicated comparable attitudes towards the questions asked and consequently, those two were merged to form one sample for Study II and one sample for Study III. After the elimination of incomplete questionnaires (Howell, 2008), the data were drawn from 251 and 207 questionnaires for Studies II and III respectively.

Confirmatory factor analysis was then performed in Study II. Poor fit indices indicated the need to respecify the model. Through iterative processes, a five-factor, 17-item model yielded satisfactory results. Cronbach's alphas and construct reliabilities were gauged and convergent and discriminant validity were established. A second-order model was then fitted, with the extended version of consumer ethnocentrism as the second-order construct. The model was again estimated and

similar fit indices were obtained. Consequently, attention was placed on replicating the results on a fresh sample. Data from Study III was subjected to CFA and satisfactory fit indices were once again obtained for both the first-order and second-order model supporting the robustness of CEESCALE. Nomological validity was established through the scale's relationships with various other measurement instruments. Social desirability bias did not pose a significant threat to the validity of the scale, as indicated by insignificant correlations with most of the subscales and a small correlation with the total scale. Finally, the superiority of CEESCALE to the CETSCALE was supported through better predictive validity estimates.

The previous paragraphs outlined the procedures followed for the development of a valid measure of consumer ethnocentrism. However, the contributions of this study still need to be elaborated to provide sound justification for the implementation of the research. In the following section, the theoretical and managerial implications are discussed in detail, so that understanding of the significance of this study is enhanced.

8.3 Theoretical Contributions

Incorporating theories from sociology and psychology within marketing and consumer behaviour provided a more comprehensive context of understanding consumer decision making process and development of product preferences between domestic and foreign products. The interdisciplinary literature review made evident the need to extend the concept of consumer ethnocentrism to capture more

contemporary aspects of the construct, which correspond to current markets. The literature review and qualitative results indicated the need to develop a more informed version of consumer ethnocentrism, which encapsulates concepts of impure altruism, buying inertia and social demonstrability of benefits.

Impure altruism and self-enhancement aspirations have been found to reinforce preference for domestic goods, a finding that broadens the concept of morality, introduced by past consumer ethnocentrism literature. The results suggest that the development of opinions in favour of domestic goods is a result of not only pure altruism and devotion to the welfare of the domestic workers, but also a result of continuous self enhancement efforts. It is evident that the concept inherited some of its main implications from the underpinnings of the broader altruism context and thus, could be undoubtedly perceived as a form of pro-social behaviour.

Looking into the less investigated normative aspects of consumer ethnocentrism, principles from sociology provided the context in which norms could be understood within the context of consumer ethnocentrism. This research complements the need identified by Shimp and Sharma (1987) to incorporate sociological phenomena into marketing and consumer behaviour. Conformity to established norms was found to constitute a significant aspect of the construct under investigation, providing improved insights into the conceptualisation of consumer ethnocentrism. Although previously identified, past literature failed to meticulously examine normative aspects. Incorporating normative aspects and in particular social demonstrability of benefits and buying inertia, resulted in a more holistic conceptualisation of consumer

ethnocentrism and provided more opportunities to better understand consumer behaviour when deciding between domestic and foreign products. The informed conceptualisation enhances researchers' understanding of the processes that occur when consumers compare foreign and domestic alternatives and increases the potential of an improved explanatory power of the construct. This last statement was empirically tested through the development of the CEESCALE and the investigation of predictive validity.

The enhanced conceptualisation of consumer ethnocentrism and the development of the CEESCALE provided scholars with a quantifiable form of consumer behaviour in a more globalised environment, where international competition is highly intense. The significance of 'buy local' campaigns is heavily emphasised within the dimensionalisation of consumer ethnocentrism and the CEESCALE. This finding suggests that as international competition becomes greater, research should focus more on the significance of 'buy local' campaigns. This neglected normative facet of consumer ethnocentrism implies that consumers are receptive towards the communicated material encouraging the support of domestic goods and consequently, puts at the centre of scholarly attention the effect of the social environment. Therefore consumer ethnocentrism expands into a concept that does not simply belong to one's ideological system but is also imposed by external forces.

The second element of the normative aspects of consumer ethnocentrism, namely buying inertia, is a novelty in the area and augments the scope of consumer ethnocentrism. Closely linked to the impact of the social environment, buying inertia

encapsulates concepts of intergenerational heritage of buying habits, familiarity and habit. Parallel to the impact of 'buy local' campaigns, buying inertia constitutes a consumer ethnocentrism facet that expands the boundaries of the construct over the narrowly defined ideological systems suggested by past literature. Qualitative results indicated that people could develop preference for domestic goods as a consequence of family traditions or convenience (ie reduce cognitive thinking). The major implications summarised in this dimension direct scholars towards placing consumer ethnocentrism within a broader context, which embraces impure altruism and social factors as vital elements of the concept.

The extended construct of consumer ethnocentrism and the CEESCALE were developed in an attempt to capture all the dimensions that consumer ethnocentrism and CETSCALE failed to capture. In particular, this study helped to close the gap of incorporating sociological and psychological phenomena into the studies of consumer ethnocentrism. By incorporating consumer ethnocentrism into the wider context of pro-social behaviour, researchers become more confident in demonstrating how consumers form their judgments when they are confronted with an increased number of alternative products coming from local or international markets.

The use of this new scale provides a more comprehensive tool for the identification of ethnocentric consumers and enhances researchers' ability to better predict consumer behaviour. Through the improved explanatory power of the developed scale, researchers can provide a sound justification of consumers' attitudes towards foreign and domestic products. CEESCALE provides an empirical justification of the reasons

why certain domestic goods thrive or why certain imported goods fail to gain market share. Although the CETSCALE was developed as a response to this gap, the link with pro-social behaviour and the resultant identification of new aspects, provided an updated, more informed explanation of international consumer behaviour.

Researchers could find in CEESCALE a powerful tool in predicting consumer preferences and product judgments more accurately. In particular, they could benefit from the enhanced predictive validity in providing a more solid explanation of consumer behaviour. The empirical findings, indicating better predictive validity of the CEESCALE when compared with the CETSCALE, gives more confidence to scholars in identifying the ethnocentric consumers and predicting their response to foreign and domestic products.

8.4 Managerial Contributions

The conceptualisation of consumer ethnocentrism and the development of the CEESCALE results in great benefits not only for scholars but also for practitioners within different industries. CEESCALE could be used by managers to gain better insights into consumers' attitudes towards foreign and domestic products and the reasons for buying domestic versus imported products. However, it is important to emphasise that managers should use CEESCALE as a complimentary source of market information rather than as a sole decision-making tool.

In a business context that is characterised by intense international competition, this scale could provide a valuable tool for assessing the viability of a given market penetration plan into a new market. Businesses which are planning an expansion into foreign markets could benefit from the use of the CEESCALE as a preliminary market research tool. The levels of consumer ethnocentrism, as measured by the CEESCALE, could constitute the first assessment of the viability of an expansion plan. High levels of consumer ethnocentrism within a given market are indicative of a market that resists foreign products. In this case, the scale operates as a guide towards actions that need to be followed in order to ensure that the business would not suffer significant losses.

The levels of consumer ethnocentrism within a given market could constitute the foundations on which several managerial decisions could be based. In particular, if consumer ethnocentrism is increased within a target market, decision-makers could decide to cancel the expansion plan or could follow specific techniques, such as opt for joint ventures with local businesses or adapt some of the marketing mix elements to appear 'more local' to consumers, to minimise the impact of this phenomenon on the firm. Foreign businesses might decide to enter this market but adjust some of the elements of their products in order to make the country of origin less obvious. On the other hand, increased consumer ethnocentrism for domestic firms could suggest potentials of greater profitability if the country of origin becomes more visible to consumers.

Most importantly, the design of promotion could be enhanced from the CEESCALE results. In particular, managers could use CEESCALE scores to identify potential areas that they should focus on in their promotional activities. High scores would imply that promotions should emphasise other product benefits to make a foreign product more appealing to this market. In contrast, for domestic products, high scores are signalling a need to make the country of origin more explicit in the promotional message. Scores on the individual dimensions could also point

Consumer ethnocentrism could also constitute the basis on which segmentation decisions are made. CEESCALE scores could not alone form the segmentation foundations but it could prove a valuable tool, complementing demographic and psychographic segmentation variables. Segmenting consumers taking into consideration their levels of consumer ethnocentrism is a technique that will allow for more effective targeting strategies. Thus, companies could appear more appealing to different consumer profiles, resulting in greater potential for increased profitability.

Closely linked to the above and the different levels of consumer ethnocentricity within a target market, store location decisions could also be enhanced through the use of the CEESCALE. Aforementioned in the demographic analysis of the CEESCALE results, consumers across different geographic locations exhibit different tolerance towards foreign products. A rigorous analysis of CEESCALE scores across different geographic areas is suggested as a selection criterion for the location of a store. Areas in which high levels of consumer ethnocentricity were obtained should be

avoided by foreign firms and locations where lower CEESCALE scores should be targeted for establishing a store.

Managerial decisions regarding market entry modes could also be benefited from the analysis of consumer ethnocentrism levels. In particular, increased levels of ethnocentrism within a market suggests that a firm needs to consider more co-operative entry modes. In this case, joint ventures or strategic alliances could be the most suitable method of minimising the impact of consumer ethnocentrism and maximise the potential for a successful penetration. For example, Good and Huddleston (1995) encouraged western firms to co-operate with formerly state-owned in Russia and Poland, based on evidence indicating a large customer base for those state-owned outlets.

Within a broader context, CEESCALE also enhances policy decisions. In particular, policy makers could benefit from the use of the scale when assessing the potential of a 'buy local' campaign. The levels of the social demonstrability of benefits dimension within the CEESCALE as well as the total score could be of great value for the design and implementation of a 'buy local' promotion activity. Governments wishing to support their economy could assess the success of a campaign promoting local products. Analysis of the individual dimensions could aid managers in deciding the element on which they should focus in order to appeal to more consumers. For example, if the threat perception element of consumer ethnocentricity appears to be strong, managers should opt for campaigns that emphasise the harm that is expected to be caused as a consequence of increased importation.

Finally, policy makers of the import and export policies could also be benefited from the CEESCALE scores. The levels of consumer ethnocentrism could constitute one of the guiding considerations for the design of export or import policies. However, it is important to emphasise that developing and developed countries would react differently to CEESCALE scores. Developing nations might aim at foreign investment and consequently wish to provide incentives to foreign businesses wishing to enter their market. In this case, high levels of ethnocentrism indicate that import policies should be less stringent for international businesses, making penetration in this market easier and more appealing to foreign firms. For example, lower quotas could be used in a developing market, in which consumers exhibit higher levels of ethnocentrism. On the other hand, developed nations could opt for preserving their own industries and thus, protect their economy from foreign competition. In this case, lower levels of ethnocentrism imply more stringent import policies. Parallel to the use of the CEESCALE within a firm wishing to enter a new market, export policies could also be developed taking into consideration CEESCALE results among other market characteristics.

8.5 Limitations and Further Research

Every research undertaken has its own limitations. It is the researchers' task to identify and discuss those limitations in an effort to stimulate more research towards closing the gaps of their studies. The research for the development of a new consumer ethnocentrism measure was implemented within one country only, namely England. Due to the fact that this construct was developed as a tool towards understanding

consumer attitudes across international markets, it would be of great value to replicate the findings in more cultural contexts, supporting the robustness of the scale across multiple nations. Secondly, the study addresses foreign and domestic products in general and fails to make any distinctions among different product categories. Considering that past research illustrated that consumer ethnocentrism levels are affected by product categories (Balabanis and Diamantopoulos, 2004; Herche, 1992; Kaynak and Cavusgil, 1983; Leonidou *et al.*, 1999, Thelen *et al.*, 2006), researchers are encouraged to conduct further research and incorporate different product types and categories to identify possible differences. Thirdly, in order to establish predictive validity, four product categories (white goods, small electrical appliances, clothing and automobiles) were used. Future research should incorporate more product categories to understand the impact of consumer ethnocentrism on a wide array of product categories. Fourthly, this study failed to compare situations where domestic products are widely available with situations where these are unavailable. The exploratory stage of the research illustrated that English consumers were concerned with the unavailability of domestic goods across a wide array of product categories. Taking into consideration that past evidence indicated a moderating role of domestic product availability (Nijssen and Douglas, 2004), further research is needed to address differences when domestic products are or not widely available in the market.

Researchers are also encouraged to conduct studies within services industries. The vast majority of research within the consumer ethnocentrism domain focuses on consumer goods and fails to provide significant evidence for services. The four distinctive characteristics of services, namely intangibility, inseparability of production and consumption, heterogeneity and transitoriness, combined with

increased perceived risk (Bateson, 1992), suggest that services should be treated differently than tangible goods. In our days, services constitute the most rapidly internationalised sector (de Ruyter *et al.*, 1998) and thus, research towards replicating the consumer ethnocentrism scale in this sector could provide the foundations for a new stream of studies with significant theoretical and practical implications.

Scholarly enquiry is suggested to shed more light on the relationship between consumer ethnocentrism and implicit bias. Braun and Zaltman (2002) presented empirical evidence which emphasises the significant impact of implicit attitudes on consumer ethnocentrism levels. Maison *et al.* (2004) found that there is no correlation between implicit and explicit ethnocentrism, indicating that existing measurement addresses only a part of ethnocentric sentiments. Thus, researchers are encouraged to use the new instrument in conjunction with the Implicit Association Test (IAT) developed by Greenwald *et al.* (1998) to address both the implicit and explicit sources of ethnocentrism.

The review of the literature on consumer ethnocentrism by Shankarmahesh (2006) revealed numerous antecedents, mediators, moderators and consequences that have not been addressed by this thesis. Figure 2.3 in the Literature review chapter provided a detailed diagrammatic outline of the different variables playing significant role in the development and consequences of consumer ethnocentrism. Future research should be guided towards addressing different elements of the content domain of consumer ethnocentrism, providing better insights into the extended concept. For example, future empirical studies could focus on country of origin effects as an

important mediator in the relationship between consumer ethnocentrism and its consequences. Useful conclusions could be drawn from the moderating role of the level of economic development and the comparisons between countries in different economic stages. The multidimensionality of the antecedents allows for a greater scope of research, which will result in novel findings.

Finally, more research is suggested to enhance understanding of the conditional nature of consumer ethnocentrism. Certain events might change the levels of ethnocentrism and thus, longitudinal studies might provide insights into the conditions in which consumers develop ethnocentric sentiments and situations in which they seem more tolerant towards foreign products. Theory suggests that manifestation of one's love towards his/her ethnic group varies from situation to situation (Li and Brewer, 2004). Considering that the levels of patriotism fluctuate (Kosterman and Feshbach , 1989), it is expected that consumer ethnocentrism levels would also increase and decrease over time, depending on certain situations. The measurement of consumer ethnocentrism in different times would ensure detailed understanding of the conditions that encourage or discourage the development of this phenomenon.

8.6 Concluding Note

The aim of this thesis was to provide an improved measure of consumer ethnocentrism, grounded on enhanced conceptualisation. Although past literature suggested the co-existence of affective, cognitive and normative aspects within

consumer ethnocentrism, the CETSCALE did not manage to capture the totality of the aspects. Through comprehensive, multidimensional review of the literature, the use of qualitative evidence from consumers and rigorous statistical analysis, consumer ethnocentrism was found to be more than an element of one's ideological system; it is partly developed as a result of societal forces. Tapping affective, cognitive and normative dimensions, the developed CEESCALE provides a valuable tool for scholars and practitioners to understand international consumer behaviour and in particular, to improve knowledge of decision-making when consumers are confronted with an increased number of imported goods. The shift of focus from a construct, which was heavily defined through affective facets, to a multidimensional concept that also encompasses normative and cognitive aspects, is expected to open new horizons for the study of the expanded construct; novel results will offer more advanced insights into the incidence and consequences of the phenomenon of consumer ethnocentrism.

APPENDICES

APPENDIX 1:

INTERVIEW GUIDE

1. Do you generally pay attention to a product's country-of-origin? How important is it for you?
2. Do you have a preference for British or non-British products?
3. Is your preference for British (non-British) products systematic or does it vary? If it varies on which factors does it depend? Does it vary when other people are present?
4. When you are making your purchase decisions, in which circumstances would you buy British products?
5. In which circumstances would you buy foreign products?
6. Any particular product preferences for British and for non-British products?
7. How do you rate the British products when compared to foreign alternatives?
8. Are British products superior to foreign?
9. Should people buy domestic products? Any reasons for that?
10. Do you feel that Britain faces a threat of foreign invasion products? From which country?
11. Do you believe that the British should defend their economy from such threats by adjusting their consumption?
12. Can you please tell me your opinion if it is a moral duty of the British to buy their own products?
13. Do you think that by buying foreign products British consumers harm the domestic industries and put people out of jobs?

14. How do you show your solidarity to workers in local industries?
15. Do you perceive other people who prefer foreign products as unpatriotic?
16. Can you describe a person who systematically buys local products and one that systematically avoids them?
17. In your choice between foreign and domestic products, do you take into account other people's suggestions and views?

APPENDIX 2:

REVISED ITEMS (PRETESTING ACTIVITIES)

| Original Items | Revised Items |
|--|--|
| It is wrong to negatively criticise people who are purchasing foreign goods. | It is wrong to criticise people who are purchasing foreign goods. |
| A real Briton should always support the British products. | A real Briton should always back the British products. |
| I find that British products are of superior quality to the non-British alternatives. | I find that British products are of superior quality to the foreign alternatives. |
| I always support British products because I feel that I am helping fellow workers in this way. | I always purchase British products because I feel that I am helping fellow workers in this way. |
| British people should go for the British products in order to prevent foreign businesses from promoting their goods in the British market. | British people should prefer British products in order to prevent foreign businesses from promoting their goods in the British market. |
| A person who systematically prefers domestic products is a patriotic person. | A person who regularly prefers domestic products is a patriotic person. |
| If British people do not consume British products, they are not being consistent with their social identity. | If British people do not consume British products, they are not being consistent with their national identity. |
| I believe one can lose his/her British identity by systematically buying foreign products. | I believe one can lose his/her British identity by regularly buying foreign products. |
| I am willing to buy a British product if this satisfies a loved one. | I am willing to buy a British product if this pleases a loved one. |
| I would have felt guilty if I didn't buy our products. | I feel guilty whenever I am not buying our products. |
| It always makes me feel good to purchase our products. | It always makes me feel good to support our products. |

APPENDIX 3:
COVER LETTER (STUDY I)



Survey on British Consumers' Attitudes Towards Buying Foreign Goods

This survey is part of a doctoral research undertaken by a PhD student at the University of Birmingham. The purpose of this survey is to investigate British consumers' attitudes towards buying foreign goods as opposed to domestic alternatives. Additionally, we are also interested in your views about your groups. Your cooperation will be greatly appreciated as your answers are essential in building an accurate picture of how people think when they are choosing between imported and domestic goods.

Showing gratitude for your time and effort in completing this survey, an opportunity to win *two £30 Debenhams Vouchers* is offered. For your chance to enter the prize draw, you will be asked to provide us with your email address at the end of the survey. Please feel free to use the prepaid envelope provided to post back your answers. Kindly note that you will **ONLY** be eligible to enter the prize draw if you make sure that the researcher *receives* the completed questionnaire in **TWO WEEKS** time after your brief encounter with the research assistants.

The questionnaire should take you about fifteen minutes to complete. All the questions are accompanied by multiple answers and you have to circle or tick the answer that applies in your case. Even if you feel that some of the questions do not apply directly to you, please do not ignore them. You are kindly asked to answer each question in this questionnaire.

ALL THE INFORMATION YOU PROVIDE WILL BE TREATED IN THE STRICTEST CONFIDENCE. YOUR EMAIL ADDRESS WILL BE USED FOR THE PURPOSES OF THE PRIZE DRAW ONLY.

I sincerely hope you find completing this questionnaire enjoyable. I would like to warmly thank you for taking the time to help me with my research.

Kind Regards

Nikoletta-Theofania Siamagka
Birmingham Business School
University of Birmingham

**APPENDIX 4:
COVER LETTER FOR MAIL SURVEY (STUDIES II AND III)**



Survey on British Consumers' Attitudes Towards Buying Foreign Goods

Dear Sir/Madam,

This survey is part of a doctoral research undertaken by a PhD student at the University of Birmingham. Your reaction to the views reflected in the survey is important to enable us to develop an understanding of current attitudes towards buying goods sourced from outside Britain. Additionally, your views about some of the groups you belong to as well as your consumption patterns are also of great significance for this study. Your cooperation will be greatly appreciated as your answers are essential in building an accurate picture of how people think when they are choosing between imported and domestic goods. Please feel free to use the prepaid envelope provided to post back your answers.

Showing gratitude for your time and effort in completing this survey, an opportunity to win *two £30 Debenhams Vouchers* is offered. For your chance to enter the prize draw, you will be asked to provide us with your email address at the end of the survey. Kindly note that you will **ONLY** be eligible to enter the prize draw if you make sure that the researcher *receives* the completed questionnaire in **TWO WEEKS** from the time you receive this survey.

The questionnaire should take you about fifteen minutes to complete. All the questions are accompanied by multiple answers and you are asked to circle or tick the answer that applies in your case. Even if you feel that some of the questions do not apply directly to you, please do not ignore them. You are kindly asked to answer each question in this questionnaire.

All the information you provide will be treated in the strictest confidence. Your email address will be used for the purposes of the prize draw *only*. I would also like to assure you that your survey response will not be linked to you or information about you in any way.

If you have any questions or comments about this survey, please do not hesitate to contact Ms Nikoletta Siamagka or my Ph.D. supervisor, Dr Svetla Marinova.

I would like to warmly thank you for taking the time to help me with my research.

Kind Regards,

Nikoletta-Theofania Siamagka
Birmingham Business School
University of Birmingham

APPENDIX 5:

COVER LETTER FOR ONLINE SURVEY (STUDIES II AND III)

SURVEY ON BRITISH CONSUMERS ATTITUDES TOWARDS DOMESTIC PRODUCTS

Invitation to Take Part in this Survey and Win Debenhams Vouchers

Please click on the link below to open the survey:

http://www.surveymonkey.com/s.aspx?sm=gS_2fpBk4WZognOGqRymzYDw_3d_3d

Dear ,

This survey is part of a doctoral research undertaken by a PhD student. Your reaction to the views reflected in the survey is important to enable us to develop an understanding of current attitudes towards buying goods sourced from outside Britain. Additionally, your views about some of the groups you belong to as well as your consumption patterns are also of great significance for this study. Your cooperation will be greatly appreciated as your answers are essential in building an accurate picture of how people think when they are choosing between imported and domestic goods.

Showing gratitude for your time and effort in completing this survey, an opportunity to win two £40 Debenhams Vouchers is offered. For your chance to enter the prize draw, you will be asked to provide us with your email address at the end of the survey. Please click on the link below to open the survey:

http://www.surveymonkey.com/s.aspx?sm=gS_2fpBk4WZognOGqRymzYDw_3d_3d

All the questions are accompanied by multiple answers and you are asked to circle or tick the answer that applies in your case. Even if you feel that some of the questions do not apply directly to you, please do not ignore them. You are kindly asked to answer every part of this survey.

Please click on the link below to open the survey:

http://www.surveymonkey.com/s.aspx?sm=gS_2fpBk4WZognOGqRymzYDw_3d_3d

All the information you provide will be treated in the strictest confidence. Your email address will be used for the purposes of the prize draw only. I would also like to assure you that your survey response will not be linked to you or information about you in any way.

If you have any questions or comments about this survey, please do not hesitate to contact Ms Nikoletta Siamagka:

Email:

I would like to warmly thank you for taking the time to help me with my research.

Kind Regards,

Nikoletta-Theofania Siamagka

PhD Researcher

Email:

APPENDIX 6:
VALIDATION MEASURES

Social Desirability Bias (Ray, 1984)

1. Have there been occasions when you took advantage of someone? R
2. Have you sometimes taken unfair advantage of another person? R
3. Are you always willing to admit when you make a mistake?
4. Are you quick to admit making a mistake?
5. Do you sometimes try to get even rather than forgive and forget? R
6. Do you sometimes feel resentful when you don't get your own way? R
7. Are you always courteous, even to people who are disagreeable?
8. Are you always a good listener, no matter whom you are talking to?

R: Reversed Score

Conservatism (Ray, 1983)

1. A free dental service should be provided by the government.
2. Schoolchildren should have plenty of discipline.
3. The government should not attempt to limit business profits.
4. Erotic and obscene literature should be prohibited from public sale.
5. The government should introduce a health insurance scheme which would cover every Briton no matter what he does.

6. Labor unions should make more efforts to grab corporate profits for the workers.
7. People should be allowed to hold demonstrations in the streets without police interference.
8. The police deserve more praise for the difficult job they do.
9. Law and order is more important than letting every kook have his say.
10. People who are always protesting to have something banned or stopped would probably howl the loudest if they themselves were banned.
11. Government attempts to prevent people using marijuana are just about as stupid as prohibition of alcohol was.
12. The rebellious ideas of young people are often a constructive source of change for the better.
13. Laws against homosexuality are old-fashioned and wrong.
14. People should be free to get on with their own lives without being pestered by governments and do-gooders.
15. Busing of children to school outside their own neighbourhoods is an unforgivable infringement of individual liberties.
16. People who show disrespect for their country's flag should be punished for it.
17. The government should make sure that our armed forces are stronger than those of Russia at all times.
18. The right of strikers to picket a firm they are striking against should not be interfered with.
19. The police are generally corrupt and brutal.
20. The government should do everything it can to eradicate poverty in this country.
21. Military training is unnatural and has a tendency to warp people.

22. People who want more money should work harder for it instead of trying to get it off the government in one way or another.

Interpersonal Influence (Bearden *et al.*, 1989)

1. I rarely purchase the latest fashion styles until I am sure that my friends approve of them.
2. It is important that others like the products and brands I buy.
3. When buying products, I generally purchase those brands that I think others will approve of.
4. If other people can see me using a product, I often purchase the brand they expect me to buy.
5. I like to know what brands and products make good impressions on others.
6. I achieve a sense of belonging by purchasing the same products and brands that others purchase.
7. If I want to be like someone, I often try to buy the same brands that they buy.
8. I often identify with other people by purchasing the same products and brands they purchase.
9. To make sure I buy the right product or brand, I often observe what others are buying and using.
10. If I have little experience with a product, I often ask my friends about the product.
11. I often consult other people to help choose the best alternative available from a product class.
12. I frequently gather information from friends or family about a product before I buy.

CETSCALE (Shimp and Sharma, 1987)

1. British people should always buy British-made products instead of imports.
2. Only those products that are unavailable in Britain should be imported.
3. Buy American-made products. Keep Britain working.
4. American products, first, last, and foremost.
5. Purchasing foreign-made products is un-American.
6. It is not right to purchase foreign products, because it puts Britons out of jobs.
7. A real Briton should always buy British-made products.
8. We should purchase products manufactured in Britain instead of letting other countries get rich off us.
9. It is always best to purchase British products.
10. There should be very little trading or purchasing of goods from other countries unless out of necessity.
11. Britons should not buy foreign products, because this hurts British business and causes unemployment.
12. Curbs should be put on all imports.
13. It may cost me in the long-run but I prefer to support British products.
14. Foreigners should not be allowed to put their products on our markets.
15. Foreign products should be taxed heavily to reduce their entry into Britain.
16. We should buy from foreign countries only those products that we cannot obtain within our own country.
17. British consumers who purchase products made in other countries are responsible for putting their fellow Britons out of work.

Ethics Position* (Forsyth, 1980)

1. A person should make certain that their actions never intentionally harm another even to a small degree.
2. Risks to another should never be tolerated, irrespective of how small the risks might be.
3. The existence of potential harm to others is always wrong, irrespective of the benefits to be gained.
4. One should never psychologically or physically harm another person.
5. One should not perform an action which might in any way threaten the dignity and welfare of another individual.
6. If an action could harm an innocent other, then it should not be done.
7. Deciding whether or not to perform an act by balancing the positive consequences of the act against the negative consequences of the act is immoral.
8. The dignity and welfare of people should be the most important concern in any society.
9. It is never necessary to sacrifice the welfare of others.
10. Moral actions are those which closely match ideals of the most “perfect” action.
11. There are no ethical principles that are so important that they should be a part of any code of ethics.
12. What is ethical varies from one situation and society to another.
13. Moral standards should be seen as being individualistic: what one person considers to be moral may be judged to be immoral by another person.
14. Different types of moralities cannot be compared as to “rightness”.
15. Questions of what is ethical for everyone can never be resolved since what is moral or immoral is up to the individual.

16. Moral standards are simply *personal* rules which indicate how a person should behave, and are not to be applied in making judgments of others.
17. Ethical considerations in interpersonal relations are so complex that individuals should be allowed to formulate their own individual codes.
18. Rigidly codifying an ethical position that prevents certain types of actions could stand in the way of better human relations and adjustment.
19. No rule concerning lying can be formulated; whether a lie is permissible or not permissible totally depends upon the situation.
20. Whether a lie is judged to be moral or immoral depends upon the circumstances surrounding the action.

*Items 1-10 reflect Ethical Idealism.

Items 11-20 reflect Ethical Relativism.

Ethnic Self-Categorisation (Adapted from Karasawa, 1991)

1. I think that it is accurate if I am described as a typical Briton.
2. I often acknowledge the fact that I am a Briton.
3. I would feel good if I was described as a typical Briton.
4. I often refer to my nationality when I introduce myself.
5. I feel attached to this nation to a great extent.
6. There are many Britons who influenced my thoughts and behaviours.
7. Most of my best friends come from Britain.

Six Pairs Domestic and Foreign Brands and Four Filler Pairs (The Researcher)

1. Hoover Refrigerator
LG Refrigerator
2. Russell Hobbs Kettle
Kenwood Kettle
3. Next T-Shirt
H&M T-Shirt
4. Miele Vacuum Cleaner
Dyson Vacuum Cleaner
5. Morphy Richards Toaster
Delonghi Toaster
6. Mini Cooper
Volkswagen Golf
7. Topshop Pair of Trousers
Next Pair of Trousers
8. Volkswagen Golf
Mercedes-Benz A-Class
9. Morphy Richards Toaster
Russell Hobbs Toaster
10. White Company Sheets
Laura Ashley Sheets

Consumer Cosmopolitanism (Riefler and Diamantopoulos, 2008)

1. When travelling, I make a conscious effort to get in touch with the local culture and traditions.
2. I like having the opportunity to meet people from many different countries.
3. I like to have contact with people from different cultures.
4. I have got a real interest in other countries.
5. Having access to products coming from many different countries is valuable to me.
6. The availability of foreign products in the domestic market provides valuable diversity.
7. I enjoy being offered a wide range of products coming from various countries.
8. Always buying the same local products becomes boring over time.
9. I like watching movies from different countries.
10. I like listening to music of other cultures.
11. I like trying original dishes from other countries.
12. I like trying out things that are consumed elsewhere in the world.

Reluctance to Buy Foreign Products (Suh and Kwon, 2002)

1. Whenever possible, I avoid buying German/Italian products.
2. I would feel guilty if I bought German/Italian products.

Product Judgment (Adapted from Darling and Arnold, 1988)

1. Products made in Italy/Germany/Britain are carefully produced and have fine workmanship.
2. Products made in Italy/Germany/Britain are generally of lower quality than similar products available from other countries.
3. Products made in Italy/Germany/Britain show a high degree of technological advancement.
4. Products made in Italy/Germany/Britain usually show a very clever use of colour and design.
5. Products made in Italy/Germany/Britain are usually quite reliable and seem to last the desired length of time.
6. Products made in Italy/Germany/Britain are usually a good value for the money.

APPENDIX 7:
SAMPLE DEMOGRAPHICS

| | STUDY I | STUDY II | STUDY III |
|----------------------------|----------------|-----------------|------------------|
| GENDER (%) | | | |
| Male | 48.2 | 49 | 52.7 |
| Female | 51.8 | 51 | 47.3 |
| AGE (%) | | | |
| Under 18 | 2 | 0.4 | 1 |
| 18-24 | 37.7 | 9.6 | 13.5 |
| 25-44 | 26 | 25.1 | 26.6 |
| 45-60 | 26 | 37.1 | 34.3 |
| Over 60 | 8.3 | 27.9 | 24.6 |
| EDUCATION (%) | | | |
| Primary School | 2 | 1.2 | 0.5 |
| Secondary School | 20.7 | 29.5 | 27.5 |
| Diploma | 9.4 | 13.5 | 16.4 |
| Undergraduate Degree | 32.5 | 15.9 | 15.5 |
| Postgraduate Degree | 13.3 | 8.4 | 7.7 |
| Professional Qualification | 22.1 | 26.7 | 26.6 |
| Other | 0 | 4.8 | 5.8 |
| INCOME (%) | | | |
| Less than 10k | 37.9 | 23.9 | 28.5 |
| 10k-30k | 36.4 | 47.4 | 46.9 |
| 31k-50k | 13.6 | 17.5 | 15.5 |
| 51k-70k | 5.1 | 7.2 | 3.4 |
| 71k-90k | 3.5 | 2 | 1 |
| 91k-110k | 2 | 1.2 | 1.4 |
| Over 110k | 1.5 | 0.8 | 3.4 |
| REGION (%) | | | |
| North East | | 12 | 8.7 |
| North West | | 13.5 | 17.9 |
| West Midlands | | 21.9 | 26.1 |
| East Anglia | N/A | 11.2 | 12.6 |
| South East | | 22.3 | 20.3 |
| South West | | 19.1 | 14.5 |

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