

## **Other Papers**

Polish Psychological Bulletin 2018, vol. 49(3) 365–374 DOI - 10.24425/119504

Dominika Maison\* Rahkman Ardi\*\* Jony Eko Yulianto\*\*\* Cicilia Larasati Rembulan\*\*\*

# How consumer ethnocentrism can predict consumer preferences – construction and validation of SCONET scale

Abstract: Consumer ethnocentrism is a concept defined as a consequent and conscious preference for local products over foreign, usually measured by using CETSCALE (Shimp & Sharma, 1987). Besides its popularity, this scale is criticized because of its too strong a normative and ideological character. We assume that consumer ethnocentrism also has a psychological aspect – it can be more automatic, sometimes unconscious, and also based on social identification mechanisms. To investigate these assumptions, we conducted three studies. The first one (N = 590), which was conducted in Poland, validated a new tool to measure consumer ethnocentrism: SCONET – a 6-item scale, and its relation to brand preference (BPM). Moreover, we used Cameron's social identification scale (Cameron, 2004). The analysis showed that social identification with one's own group does not directly explain the choice of foreign vs. local products (BPM) but this relationship is moderated by consumer ethnocentrism (measured by SCONET). The second study, conducted in Poland on a representative nationwide sample (N = 1002), confirmed that SCONET is a single-factor scale with good statistical parameters (confirmatory factor analysis). The third study, conducted in Indonesia (N = 323), was a cross-cultural validation of the SCONET scale and explored the relationship found in study 1 in other cultures. The results confirmed the relationship between SCONET, social identity, and brand preference (BPM) that was found in Poland.

Keywords: consumer ethnocentrism, brand preferences, social identification, SCONET Scale

#### Introduction

Consumer ethnocentrism is a concept introduced in USA in 1987 by Shimp and Sharma and is defined as a consequent and conscious preference for local products over foreign (Shimp & Sharma, 1987; Watson & Wright, 2000). The authors also constructed a scale called the Consumer Ethnocentric Tendencies Scale (CETSCALE) that originally measured the tendencies of American consumers to favour American-made products over foreign. The scale is based on 17 items with a 7-point Likert response scale and has good validity, with Cronbach's alpha around 0.94–0.96 (Shimp & Sharma, 1987). The CETSCALE was widely used in many different countries around the world (Netemeyer et al., 1991; Durvasula et al.,

1997; Fakharmanesh & Mijandehi, 2013). However, despite the CETSCALE being the most widely used and cited tool for measuring consumer ethnocentrism, it is also criticized because of its normative and ideological character (Vida & Reardon, 2008; Wanat & Stefańska, 2014)

The goal of our research project was firstly to construct and validate new tools for measuring consumer ethnocentrism – the Scale of Consumer Ethnocentrism (SCONET) – devoid of the strong ideological component present in the old scale. In our opinion, there are three reasons why a revision of CETSCALE is called for. The first is connected to the understanding of the construct of consumer ethnocentrism, which might be much less ideology-based than the authors of the classic scale assumed and, instead, be far more psychologically-rooted in

<sup>\*</sup> Faculty of Psychology University of Warsaw, Stawki 5/7, 00-183 Warsaw, Poland

<sup>\*\*</sup> Faculty of Psychology Universitas Airlangga

<sup>\*\*\*</sup> Faculty of Psychology Universitas Ciputra Surabaya



social identity. In fact, a previous study by Shankarmahesh (2006) also raises the issue of the psychological aspect of consumer ethnocentrism but focuses more on lifestyles, beliefs about personal economic well-being, national economic well-being, and animosity. The second is that the understanding of attitude in psychology has considerably changed since the introduction of consumer ethnocentrism and the development of CETSCALE. Nowadays, more is said about attitude as an automatic, often implicit construct which is not always under the conscious control of the person. Therefore, attitudes are not always so straightforward to express and explicitly discover (Greenwald & Banaji, 1995; Chaiken & Trope, 1999; Maison & Gregg, 2016). The third, we assume that people nowadays in a time of growing need for tolerance and acceptance of diversity and predominant globalization, are not as direct at expressing their negative opinions about foreign products. Therefore, a strong social desirability bias might be involved in answering CETSCALE questions and people who actually prefer foreign products might find it difficult to express this on a traditional scale. The second goal of the study was to answer the question of to what extent is consumer ethnocentrism based on the basic psychological mechanism of categorization between "we" and "others". If this is so, a strong social in-group identity should be enough to explain consumer ethnocentrism. The third goal was connected to the concurrent validity of SCONET – to what extent it shows the relationship between consumer ethnocentrism and social identification with own group (social identity) and between consumer ethnocentrism and brand preference and choice (BPM -Brand Preference Measure, Maison & Maliszewski, 2016). The last, fourth goal, was the cross-cultural validation of the new scale (SCONET) and its relationship to social identity and brand choice (BPM).

### Consumer ethnocentrism and CETSCALE

Most of the studies on consumer ethnocentrism using CETSCALE confirmed the existence of a preference for local products over foreign, however, the majority of them were conducted in Western culture (Bilkey & Nes, 1982; Watson & Wright, 2000). Many studies conducted in non-Western cultures showed opposite results, for example, people in many developing countries do not express such a high level of ethnocentrism as in Western countries (Bilkey & Nes, 1982; Batra et al., 2000; Tsai et al., 2013). This is usually explained by the often objectively inferior quality of many locally manufactured products. Therefore, consumers in those countries usually have a weaker preference for local products and a stronger preference for foreign ones (Witkowski, 1998; Falkowski et al., 1996). Studies conducted in Poland showed a high level of consumer ethnocentrism among Polish consumers, especially in older, less educated buyers and this was slightly stronger among women (Good & Huddleston, 1995; Falkowski et al., 1996; Szromnik & Wolanin-Jarosz, 2013). Jin et al. (2015) claimed that cosmopolitanism plays a role in predicting consumer ethnocentrism in developed countries but exerts no role in developing countries.

The study of Good & Huddleston (1995) also revealed a relationship between the level of consumer ethnocentrism and the choice of the place of purchase of the products. More ethnocentric consumers in Poland and Russia prefer to shop in state-owned stores than in private ones.

Studies conducted on consumer ethnocentrism show that they might be correlated with some demographic, psychological, and cultural factors. For example, some studies demonstrated that consumer ethnocentrism is positively correlated with age, where older consumers are more ethnocentric (Witkowski, 1998; Shah & Ibrahim, 2012; Alsughayir, 2013; Lajevardi et al., 2014), and negatively with education and financial standing, where educated consumers and those more well-off are less ethnocentric (Bawa, 2004; Nadiri & Tümer, 2010). Some studies also found that women tend to be more ethnocentric consumers (Ferrin et al., 2012; Szromnik & Wolanin-Jarosz, 2013). However, the relationship with demographic variables is not always confirmed and consistent (Nadiri & Tümer, 2010). Some studies also showed a positive correlation between consumer ethnocentrism and other attitudes, for example, between patriotism and conservatism (Han, 1988). The results of a study conducted in Turkey demonstrated that devoted Muslims are more ethnocentric than non-Muslims (Kaynak & Kara, 2002). Research conducted by Yoo and Donthu (2005) found that consumer ethnocentrism might be related to cultural values – the collectivistic vs. the individualistic orientation (Hofstede, 1984). American citizens with a stronger collectivistic orientation were more ethnocentric than those with an individualistic position.

Even though CETSCALE is the most commonly used and cited tool for measuring the consumer ethnocentrism concept, there were some attempts to construct other measures. For example, Siamagka and Balabanis (2015) developed the Consumer Ethnocentrism Extended Scale. However, other measures never afforded the popularity of CETSCALE. Besides its repute, CETSCALE was also criticized from a conceptual point of view, especially for its content validity (Siamagka & Balabanis, 2015; Wanat & Stefańska, 2014). Siamagka & Balabanis (2015) argued that CETSCALE is too normative. Items in CETSCALE are discussed on more general norms but consumer personal values and beliefs may not be detected. Another questionable point is whether the construct measured by CETSCALE consists of one or more dimensions (Khan & Rizvi, 2010). Empirical data shows inconsistent results: in countries like Iceland, Spain, India, Bangladesh, CETSCALE is one-dimensional, but in the Netherlands and Malaysia, it is multidimensional. This shows that CETSCALE has different dimensions in different cultures (Saffu & Walker, 2005).

Inconsistent results can, to some extent, be caused by the lack of relevance of CETSCALE to the contemporary world. First, it is based on a set of conscious consumer beliefs that buying foreign (in this case, not American) products is bad for local industry (i.e., the American industry), reduces employment and, therefore, cannot be considered as patriotic behaviour. Following those assumptions, the majority of CETSCALE items refer to



ideological aspects, for example: "A real American should always buy American-made products", and "Buy American--made products. Keep America working". Such an ideology might nowadays be contradictory to a common openness to different cultures, diversity acceptance, and globalization.

Shimp and Sharma (1987) assumed that consumer ethnocentrism has a moral and ideological background and, therefore, CETSCALE was constructed based on a set of conscious consumer beliefs. We propose looking at the phenomenon of consumer ethnocentrism from a different, psychological perspective, and investigating whether it is-as Shimp and Sharma (1987) suggestedonly an ideology-based conscious mechanism, or also has another, more psychological side to it. We suggest that the source of this phenomenon is both moral/ideological and also psychological and, next to the deliberated beliefs, can also have an automatic and unconscious character based on in-group favouritism bias (Tajfel, 1978) manifested as an automatic preference for "our" group. Based on this basic psychological mechanism, products manufactured in one's own country are automatically perceived favourably because they are "ours" and not "theirs" (Maison & Maliszewski, 2016). The assumption that consumer ethnocentrism can have a more automatic and unconscious character is supported by a recent study on implicit consumer ethnocentrism (Maison & Maliszewski, 2016) showing that consumer ethnocentrism is not only a purely conscious ideology-based mechanism but can have a strong automatic and unconscious component, which was detected by using the implicit association test (IAT), a reaction time based tool (Greenwald & Banaji, 1995).

Despite a great many studies having been conducted on consumer ethnocentrism, the majority of them concerned answering the question of whether some nations are more ethnocentric than others or if consumer ethnocentrism can be observed in one country alone. Most of these studies were not interested in the causes of consumer ethnocentrism and in its underlying mechanisms. To fill this gap, our study focused on the role of social identity in explaining the consumer ethnocentrism phenomenon.

#### **Group identity**

The social identity concept is very important for human beings and widely researched in psychology. It assumes people develop their social identity next to their individual identity, and their social identity is based on their relationships with the groups to which they belong. It is assumed that individual identity is what differentiates a person from the group they belong to, but social (group) identity is what sets a person as a member of his/her group (or group itself) apart from other groups. To put it differently, social identity is a social psychological concept that explains how people see themselves as a member of an in-group in comparison with other out-groups (Tajfel & Turner, 1979; Turner et al., 1987).

Many psychological studies show that social identity has an important influence on many aspects of individual life, especially on intergroup relationships (Dovidio et al., 2005; Haslam et al., 2009). Self-concept is anchored in

social identity and is connected with feelings of belonging and different emotions. Social identity is also related to social categorization processes that involve automatic reactions, which help categorize objects as "ours" vs. "theirs". This aids efficient information processing but it may, however, lead to biases and a negative treatment of out-group members (Fiske & Taylor, 1991). By way of example, a strong social identity can lead to feelings of superiority towards members of other groups and also contribute to nationalism and collective narcissism (Golec de Zavala et al., 2009).

The majority of studies on social identity are carried out in the context of intergroup relations. This can, however, also influence other areas of human life, such as consumer perception, decisions, and behaviour, that is, to what extent does a strong consumer in-group tendency affect their in-group product choice (Chen & Li, 2009). In line with these findings, Dimofte et al. (2010) found that it is the role of ethnicity as a mediation factor that determines the favourability of global brands.

In the present research, we predict that there are two main reasons why social identity has a connection to the consumer ethnocentrism phenomenon. Firstly, it is scientifically proven that self-construal influences brand preference. For example, White et al. (2012) exposed that self-construal plays an important role in consumer preferences wherever social identity is threatened. Consumers with more independent self-construals tend to avoid identity-linked products, whereas consumers with more interdependent self-construals are more inclined to hold positive preferences for identity-related products when social identity is at threat. Furthermore, consumers tend to show consumer nationalism asserted through foreign brand resistance as a representation of the ties, affect, and centrality towards a nation (Dong & Tian, 2009; Supphellen & Rittenburg, 2001). Since ethnocentrism starts from a person's beliefs that their group is more superior to other groups, we hypothesize that social identity may play a role in consumer ethnocentrism. As a consequence, the perception of own-group superiority can be tantamount to the perception of own-group products (belonging to or produced by the group) as being superior to products belonging to or produced by other groups.

#### **Current studies objectives**

Doubts about the mostly ideological and conscious backgrounds of consumer ethnocentrism measured with CETSCALE constituted the starting point for this research project. Ultimately, we formulated four main goals of the research project:

- (1) Construction of a new scale the Scale of Consumer Ethnocentrism (SCONET), which would be free from the ideological factors present in CETSCALE (Shimp & Sharma, 1997).
- (2) The second goal was to investigate whether consumer ethnocentrism, understood as a psychological mechanism based on in-group favouritism (Tajfel, 1978), will be connected to social identity and identification with the in-group (using the Cameron scale).



- (3) The third goal was to explore the extent to which consumer ethnocentrism (measured using SCONET) predicts local brand preferences (Maison & Maliszewski, 2016). We were expecting that people with a higher consumer ethnocentrism (measured using SCONET) would show a stronger local brand preference (BPM).
- (4) The fourth goal was to validate the new consumer ethnocentrism scale (SCONET) in other, more collectivistic cultures, where the attachment to own-group might be stronger (on the example of Indonesia). Moreover, we wanted to investigate the relationship between local brand choice with consumer ethnocentrism and social identity, namely, the cross--cultural validity of the model.

Addressing the second until the fourth goal, it was constructed following hypotheses:

H1 Consumer ethnocentrism of Polish people measured with SCONET positively predict national brand preferences.

H2 Polish social identity is a significant positive predictor of both consumer ethnocentrism and national brand

H3 Consumer ethnocentrism mediates the relationship between social identity and national brand preferences.

H4 The above-described relationships are valid in different cultures, i.e., Indonesia.

#### Methods

The research project employed three studies conducted: (a) In Poland in 2012; (b) In Poland in 2016; and (c) In Indonesia in 2016. The first study involving a Computer Assisted Web Interview (CAWI) was conducted on a sample of 590 consumers recruited from an online research panel. The nationwide random quota sample consisted exclusively of young respondents aged 15–35 years, 52% male and 48% female, with different levels of education and home size. The structure of the sample was similar to the structure of Polish internet users under 35 years old in respect of their gender, age, education, and the size of their home.

The second study was conducted on the nationwide representative random quota sample of Polish consumers recruited from an online research panel using a Computer Assisted Web Interview (CAWI). The sample of 1,007 participants consisted of 53% females and 47% males aged 18 to 76 years (M = 43.40, SD = 14.52). The educational background of the participants ranged from elementary/ secondary school (27%), vocational school (22%), high school (24.9%), college/post-secondary school (8.2%), bachelor's degree (3.8%), and master's degree (14.2%). The demographic structure of the sample was consistent with the demographic structure of the Polish population.

The third study was an online survey conducted in Indonesia on the SurveyMonkey research platform based on a convenience sample. The sample was diverse in terms of its demographics: gender, age, and place of residence. The sample consisted of 323 Indonesian adult participants,

62% female and 38% male. The average age among the participants was 26.29 years, ranging from 18 to 67 years of age. The majority of the respondents were students.

#### Measures

Consumer Ethnocentrism Scale

The construction of the Consumer Ethnocentrism Scale (SCONET) was based on earlier pilot studies (quantitative and qualitative). In the first qualitative study (2 focus group interviews), the respondents described their opinions, beliefs and behaviours related to the purchase and use of national and foreign brands in different product categories. Based on the results of the qualitative study, a set of statements describing consumer ethnocentric beliefs and behaviours was generated. Six items describing consumer ethnocentric beliefs and behaviours were chosen from a large set of statements (e.g., "If I have a choice between a Polish and a foreign product, I choose the Polish"). The aim of the new scale was to fit the following criteria: (a) It has to be free from the "nationalistic" overtones of the CETSCALE (being directly related to consumer behaviour and not to ideology); (b) It has to be one-dimensional; and (c) It has to be short. The final version (tested in this study) contained 6 statements ( $\alpha$  = .85, Table 1). The respondents had to give their answers using a 4-point scale ranging from 1 (strongly disagree), to 4 (strongly agree).

#### Group identification

To measure group identification (social identity), a Polish, 12-item adapted version (Bilewicz & Wójcik, 2009) of the Cameron scale was used (Cameron, 2004). The Cameron scale is a three-factor social identity scale consisting of affect (emotional evaluation of group membership), centrality (the cognitive prominence of a given group membership), and in-group ties (perception of similarity and bonds with other group members). Since the purpose of the study was to explore the relationships between consumer ethnocentrism and social identity as one entity overall, in our study, we decided to use this scale as a single-factor measurement of the global indication of social identity. Therefore, we only used one global indicator of the scale, built on the sum of all the items in the analysis. The scale itself consisted of 12 items ranging from 1 (definitely disagree) to 5 (definitely agree). Cronbach's alpha reliability for the whole scale was 0.88.

#### Brand Preference Measure (BPM)

To measure national vs. foreign brand preference, a method based on the general idea of a forced brand choice from a brand pair belonging to two categories specific for the research subject was used - in this case, national vs. foreign brands (Maison & Maliszewski, 2016). Pairs of 8 brands belonging to different product categories were presented to the consumer. In each pair, one brand was local (Polish) and the other was foreign (different countries of origin) in order to avoid the country-of-origin effect. All brands had high and comparable awareness in Poland (checked in the pilot study). The respondents were tasked with choosing one brand from each pair,



which he/she is buying or preferring if not buying any from the pair. The task had to be completed in the shortest possible time to capture the first automatic reactions and to avoid deliberated responses. Based on the pilot study, the following brands were chosen, the first of which was Polish and the second foreign: (1) Prince Polo vs. Snickers (chocolate bars); (2) LOT vs. Lufthansa (airlines); (3) Wedel vs. Milka (chocolate brands); (4) Hortex vs. Cappy (juice brands); (5) Orlen vs. BP (petrol stations); (6) Winiary vs. Knorr (stock cube brands); (7) Bakoma vs. Danone (yoghurt brands); (8) Ludwik vs. Pur (washing up liquids). While choosing brands, their price level was controlled – both brands had comparable prices in both pairs throughout.

The idea behind the BPM was to capture the more automatic first reactions (not rational, deliberated choices), therefore, the respondents were instructed to make their decisions fast. Moreover, the method was assumed to be independent of one brand choice (which can be influenced by many different factors) and category (people can have different preferences in different product categories), but expected to capture the general inclination for national vs. foreign brand choices. Therefore, a set of brands belonging to different product categories was used in the method and a general indicator of brand preference based on the summary of all 8 choices was intended for analysis. The brand preference indicator had a value ranging from 0 (all 8 chosen brands were foreign) to 8 (all 8 chosen brands were Polish). The BPM can be treated as a manifestation of consumer ethnocentrism.

#### Results

## **Construction and validation of SCONET**

The construction and validation of SCONET was based on an analysis of the first, second, and third studies (Table 1).

From the first study, it can be seen that SCONET has an adequate sample for factor analyses (KMO=.89) and

Bartlett's test of sphericity was significant ( $\chi^2(15) = 133.73$ , p < .05). Exploratory factor analysis with direct oblimin rotation yielded a 1-factor structure that explained 49.92 percent of the total variance (Eigenvalue = 3.48; factor loadings = .63–.81) (Table 1). Thus, it may be concluded that SCONET as a 6-item consumer ethnocentrism scale is a unidimensional scale. The reliability obtained (Cronbach's alpha) for the 6 items of SCONET was .85.

From the second study, it shows that the one-factor model for consumer ethnocentrism established through exploratory factor analysis (as analyzed in the first study) was validated on the data from the Polish sample collected through CFA in 2016. As can be seen from the fit statistics reported, the hypothesized path model for the total sample had a good fit to the data by most indices:  $\chi^2$  (9, N=1011)=50.14, p=.00; CFI=.99; SRMR=.02; RMSEA=.067 (90% CI [0.050, 0.086]), and high item loadings ranging from .68 to .81. Cronbach's alpha coefficients were calculated to assess the internal consistency of the scale and obtained a good result ( $\alpha$ =.86). The results of the second study with the Polish sample confirmed that the new consumer ethnocentrism scale (SCONET) is a unidimensional scale.

We conducted the third study to validate SCONET in a different culture (Indonesia). The one-factor model for consumer ethnocentrism (SCONET) showed a good fit index:  $\chi^2$  (9, N=323)=13.27, p=.15; CFI=.99; SRMR=.02; RMSEA=.039 (90% CI [0.00, 0.079]), and high item loadings ranging from .54 to .80, which was consistent with the result in the second study. Additionally, these items appeared to be reliable measures of consumer ethnocentrism based on their internal consistency ( $\alpha$ =.83).

#### **Hypothesis testing**

The following measures were used to analyse hypotheses: Pearson's correlation, regression analysis, and mediation analysis using the bootstrapping method (Hayes, 2015) as suggested by Preacher and Hayes (2008).

Table 1. SCONET items and factor-loadings

		Factor Loadings			
	Item	1st study EFA	2nd study with CFA	3rd study with CFA	
1.	In my opinion, we should support our national companies by buying Polish*/Indonesian** products.	.73	.77	.68	
2.	If I have a choice between a Polish*/Indonesian** and a foreign product, I choose the Polish*/Indonesian**.	.81	.78	.76	
3.	Buying foreign products when Polish*/Indonesian** are available is not right.	.63	.69	.54	
4.	It is always better to buy Polish*/Indonesian** products.	.75	.81	.80	
5.	I often buy Polish*/Indonesian** products.	.66	.70	.67	
6.	I think that Polish*/Indonesian** products are as good as foreign ones.	.65	.68	.64	

<sup>\*</sup> For Study 1 and 2; \*\* For Study 3.

Table 2. Correlations between consumer ethnocentrism (SCONET) and social identity with choice of national brands – BPM (Study 1 – Polish sample)

Variables	Mean	SD	Brand Preference Measurement	Social Identity	Consumer Ethnocentrism (SCONET)
Brand Preference Measurement (BPM)	.62	.22	1	. 21**	.46**
Social Identity	3.41	.71		1	. 41**
Consumer Ethnocentrism (SCONET)	2.89	.54			1

<sup>\*\*</sup> Correlation is significant at the .01 level (2-tailed).

The Pearson correlation coefficient (Table 2) showed that in the Polish sample, national brand preference (measured by BPM) was significantly correlated with SCONET (r=.46, p<.01) and with social identity (r=.21, p<.01). SCONET also showed significant correlation with social identity (r=.41, p<.01).

Regression analysis was performed to investigate the effect of consumer ethnocentrism measured on national brand preference. The regression model was significant (F (1, 588)=160.24, p<.01,  $R^2$ =.21). As expected, participants with high consumer ethnocentrism showed a higher preference to choose national brands, B=.18, t (588)=12.66, p<.01). Therefore, H1 was fully confirmed (Table 3).

In order to analyze H2, regression analyses were run twice. First, regression was performed to investigate the effect of social identity on national brand preference (BPM). The regression model was significant (F  $(1, 588) = 27.52, p < .01, R^2 = .04)$ , indicating that people with a higher social identity will show a higher preference to choose national brands (B = .07, t (588) = 5.25, p < .01). The second regression model was conducted to test whether social identity predicts consumer ethnocentrism. The results showed that the regression model was statistically significant, F  $(1, 588) = 116.01, p < .01, R^2 = .16)$ , indicating that

people with a higher social identity are more likely to show higher consumer ethnocentrism (B = .31, t (588) = 10.77, p < .01). From both results of the regression analyses, it was shown that social identity positively predicts both national brand preference and consumer ethnocentrism. Therefore, H2 was fully confirmed (Table 3).

In order to test the indirect effect between social identity and national brand preference mediated by consumer ethnocentrism, bootstrapping procedures based on Preacher and Hayes (2008). The unstandardized indirect effect was (.31)(.18) = .056 (Table 3). Unstandardized indirect effects were computed for each of the 5,000 bootstrapped samples, and a 95% confidence interval was computed. The 95% confidence interval ranged from .04 (lower) and .07 (upper). The confident interval does not contain zero, thus, the indirect or mediating effect was statistically significant. Based on the mediation test above, consumer ethnocentrism fully mediated the relationship between social identity and national brand preference. Thus, hypothesis H3 is fully confirmed (Figure 1).

In order to answer H4, the relationship between variables was also tested in the Indonesian sample. The Pearson correlation coefficient (Table 4) showed that SCONET significantly correlated with national brand

Table 3. Summary of regression and mediation analyses (Study 1 – Polish sample)

Decree Medal	Parameter Estimate		
Regression Model	В	SE	
Direct effect of CAMS on BPM (path c)	.07**	.01	
Effect of CAMS on SCONET (path a)	.31**	.03	
Effect of SCONET on BPM (path b)	.18**	.01	
Direct effect of CAMS on BPM, controlling for SCONET (path c') <sup>a</sup>	.01	.01	
Indirect effect of CAMS on BPM through SCONET (path ab)	.056 95%CI [.04 – .07 <sup>b</sup> ]	.01	

*Note.* B = unstandardized coefficient; SE = standard error; CI = confidence interval.

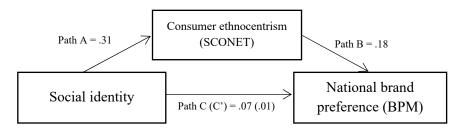
<sup>&</sup>lt;sup>a</sup> regression model was statistically significant (F  $(2, 587) = 80.3, p < .01, R^2 = .215)$ 

<sup>&</sup>lt;sup>b</sup> indirect effect was considered statistically significant since the 95% confidence interval from 5000 bootstrapped sample doesn't contain zero.

<sup>\*\*</sup> regression coefficient is significant at 0.01 level

POLSKA AKADEMIA NAUK

Figure 1. Hypotheses supported by analysing unstandardized regression in the suggested model, using SCONET as the mediator variable (Study 1)



preference (r = .27 p < .01) and social identity (r = .44, p < .01), which has confirmed the results of the correlation analyses obtained in Poland (Table 3). Moreover, brand preference was not significantly correlated with social identity (r = .10, p = .09).

Regression analysis was performed to investigate the effect of consumer ethnocentrism on national brand preference (BPM) on the Indonesian sample. The regression model was significant (F (1, 321) = 24.80, p < .01,  $R^2$  = .07). As expected, participants with high consumer ethnocentrism showed a higher preference to choose national brands, B = .09, t (321) = 4.98, p < .01).

As in the Polish sample, further regression analyses were run. The first regression was performed to investigate the effect of social identity on national brand preference (BPM). The regression model was not significant (F (1, 321) = 2.96, p=.09, R<sup>2</sup>=.01), indicating that social identity is not able to directly predict the preference for national brands (B=.03, t (321)=1.72, p=.09). The second regression model was conducted to test whether social identity predicts consumer ethnocentrism. The results showed that the regression model was statistically significant, F (1, 321)=75.24, p<.01, R<sup>2</sup>=.19), indicating that people with a higher social identity are more likely to show

Table 4. Correlations between consumer ethnocentrism (SCONET) and social identity with choice of national products – BPM (Study 3 – Indonesian sample)

Variables	Mean	SD	Brand Preference Measurement	Social Identity	Consumer Ethnocentrism
Brand Preference Measurement	.56	.18	1	.10	.27**
Social Identity	3.70	.65		1	. 44**
Consumer Ethnocentrism	3.01	.58			1

<sup>\*\*</sup> Correlation is significant at the .01 level (2-tailed).

Table 5. Summary of regression and mediation analyses (Study 3 – Indonesian sample)

Dogwoosian Madal	Parameter Estimate		
Regression Model	В	SE	
Direct effect of CAMS on BPM (path c)	.03	.02	
Effect of CAMS on SCONET (path a)	.39**	.05	
Effect of SCONET on BPM (path b)	.09**	.02	
Direct effect of CAMS on BPM, controlling for SCONET (path c') <sup>a</sup>	01	.02	
Indirect effect of CAMS on BPM through SCONET (path ab)	.034 95%CI [.02 – .05 <sup>b</sup> ]	.01	

*Note. B* = unstandardized coefficient; *SE* = standard error; CI = confidence interval.

<sup>&</sup>lt;sup>a</sup> regression model was statistically significant (F (2, 320) = 12.46, p < 0.01, R<sup>2</sup> = .0.07)

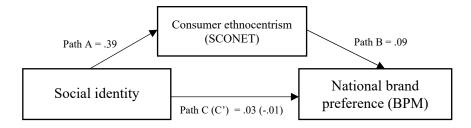
<sup>&</sup>lt;sup>b</sup> indirect effect was considered statistically significant since the 95% confidence interval from 5000 bootstrapped sample doesn't contain zero.

<sup>\*\*</sup> regression coefficient is significant at 0.01 level.

372



Figure 2. Hypotheses supported by analysing unstandardized regression in the suggested model, using SCONET as the mediator variable (Study 3)



higher consumer ethnocentrism (B = .39, t (321) = 8.67, p < .01). From both results of the regression analyses performed, social identity was shown to only have a direct effect on consumer ethnocentrism, and no affect on brand preference.

Bootstrapping procedures were used to check the indirect effect between social identity and national brand preference mediated by consumer ethnocentrism. Unstandardized indirect effects were computed for each of the 5,000 bootstrapped samples with a 95% confidence interval. The 95% confidence interval ranged from .02 (lower) and .05 (upper). This result shows that the indirect effect was statistically significant because the confidence interval range does not contain zero (Figure 2).

Thus, answering hypothesis H4, the results were similar to those obtained in Poland – consumer ethnocentrism positively predicts national brand preference in Indonesia. However, social identity was found to have no direct effect on national brand preference. Consumer ethnocentrism measured with SCONET becomes a key factor for the relationship between social identity and national brand preference, particularly in the Indonesian sample. In other words, social identity has a positive effect on national brand preference only through consumer ethnocentrism.

#### Discussion

Three conducted studies showed that the new consumer ethnocentrism scale (SCONET) has good statistical parameters. Confirmatory factor analysis showed that it has a one-dimensional structure in Poland and in Indonesia. The scale also correlates with national brand choice (BPM), both in Poland and Indonesia. People who have a high score of consumer ethnocentrism (measured with SCONET) also have a higher inclination to choose national brands over foreign. However, the correlation between SCONET and brand choice (BPM) is higher in Poland (r = .46) than in Indonesia (r = .27). This difference can result from the different level of development of these countries. There may be slightly different mechanisms underlying consumer choices in Indonesia, as an emerging country. Therefore, the conviction about local products being of a lower quality (as a consequence of the lower level of development of local industry) can be still valid, as it was earlier observed in other developing countries (Bilkey & Nes, 1982; Batra et al., 2000; Tsai et al., 2013). The lower correlation between the consumer ethnocentrism scale and local brand choice (BPM) in Indonesia might be the consequence of other important factors exerting a greater influence on local brand choice than consumer ethnocentrism in Indonesia.

The conducted studies have also confirmed the prediction of the role of identification with the in-group (social identity) in consumer ethnocentrism. Social identification has no direct influence on brand choice but is mediated by consumer ethnocentrism (measured with SCONET). This model was confirmed in both countries: Poland and Indonesia, and the data demonstrated that consumer ethnocentrism can be partially explained by social identification with the in-group; however, these concepts cannot be considered as identical. Social identity alone is not enough to explain the preference for local brands. However, a significant correlation between consumer ethnocentrism and social identity was observed in both countries. This shows that consumer ethnocentrism is not only an ideologically based patriotic attitude towards local products but may be more deeply grounded in group identification.

The findings showing the role of social identity in explaining consumer ethnocentrism are, to some extent, connected to the concept of Implicit Consumer Ethnocentrism (ICE) (Maison & Maliszewski, 2016), demonstrating that consumer ethnocentrism has a partly automatic component based on the basic mechanisms of categorization. The conducted experiments showed that even consumers who consciously preferred foreign brands (perceived as being of superior quality) expressed a preference for local brands on an automatic, implicit level (IAT).

## Theoretical implications

An important theoretical implication of our study is demonstrating that consumer ethnocentrism is, to some extent, connected to social identity. People with a stronger sense of belonging to their own group also have a stronger level of consumer ethnocentrism and, consequently, also prefer national brands over international ones. However, equally important is the fact that a preference for national brands is not only caused by the general psychological phenomena of strong identification with the in-group (social identity) but is mediated by consumer ethnocentrism. This confirms that consumer ethnocentrism is a specific phenomenon that is taking place in consumer behaviour. Our study also confirmed that consumer ethnocentrism is a different phenomenon than social identification.



#### How consumer ethnocentrism can predict consumer preferences – construction and validation of SCONET scale

#### Limitations and future research

The conducted studies showed that SCONET is a good consumer ethnocentrism scale that can predict consumer preferences. However, this study did not demonstrate whether or not this new tool has better predictive validity than the former one – CETSCALE. Therefore, future research should focus on a comparison of SCONET and CETSCALE, endeavouring to determine which scale can give a more accurate prediction of brand preferences and choices. Nevertheless, an advantage of the new scale over the old one its length—while preserving a comparable level of statistical validity—SCONET consists of 6 items compared to the 17 items of CETSCALE.

## References

- Alsughayir, A. (2013). Consumer ethnocentrism: A review. *International Journal of Business and Management Invention*, 5, 50–54.
- Ashmore, R.D., Deaux, K., & McLaughlin-Volpe, T. (2004). An organizing framework for collective identity: articulation and significance of multidimensionality. *Psychological Bulletin*, 130, 80–114.
- Batra, R., Ramaswamy, V., Alden, D.L., Steenkamp, J.-B.E.M., & Ramachander, S. (2000). Effects of brand local and nonlocal origin on consumer attitudes in developing countries. *Journal of Consumer Psychology*, 9, 83–95.
- Bawa, A. (2004). Consumer ethnocentrism: CETSCALE validation and measurement of extent. VIKALPA, 29, 43–57.
- Bilewicz, M., & Wójcik, A. (2009). Does identification predict community involvement? Exploring consequences of social identification among the Jewish minority in Poland. *Journal of Community and Applied Social Psychology*, 22, 72–79.
- Bilkey, W.J., & Nes, E. (1982). Country-of-origin effects on product evaluations. *Journal of International Business Studies*, 35, 89–99.
- Cameron, J.E. (2004). A three-factor model of social identity. Self and Identity, 3(3), 239–262.
- Chen, Y., & Li, S.X. (2009). Group identity and social preferences. The American Economic Review, 99, 431–457.
- Chaiken, S., & Trope, Y. (1999). Dual-process theories in social psychology. New York: Guildford Press.
- Dimofte, C.V., Johansson, J.K., & Bagozzi, R.P. (2010). Global brands in the United States: how consumer ethnicity mediates the global brand effect. *Journal of International Marketing*, 18, 81–106.
- Dong, L., & Tian, K. (2009). The use of Western brands in asserting Chinese national identity. *Journal of Consumer Research*, 36, 504–523.
- Dovidio, J.F., Gaertner, S.L., Pearson, A.R., & Riek, B.M. (2005). Social identities and social context: social attitudes and personal wellbeing. In: Social Identification in Groups: Advances in Group Processes Volume 22 (ed. by Shane R. Thye and Edward J. Lawler) pp. 231–260. Emerald Group Publishing Limited, Bingley, United Kingdom.
- Durvasula, S., Andrews, J.C., & Netemeyer, R.G. (1997). A cross cultural comparison of consumer ethnocentrism in the United States and Russia. *Journal of International Consumer Maketing*, *9*, 73–79.
- Fakharmanesh, S., & Mijandehi, R.G. (2013). The purchase of foreign products: the role of brand image, ethnocentrism and animosity: Iran market evidence. *Iranian Journal Management Studies*, 6, 145–160.
- Falkowski, A., Rożnowski, B., & Witkowski, T. (1996). Etnocentryzm konsumencki nowe wyzwanie dla marketingu. *Marketing i Rynek*, (4), 6–11.
- Ferrin, F.P., Bande Vilela, B., Klein, Jill, G., & Rio-Araujo, M. (2012). Consumer ethnocentrism and consumer animosity: Antecedents and consequences. *International Journal of Emerging Markets*, 10, 73–88.
- Fiske, S.T., & Taylor, S.E. (1991). Social cognition. New York: McGraw-Hill.
- Golec de Zavala, A., Cichocka, A., Eidelson, R., & Jaya-Wiekreme, N. (2009). Collective narsissism and its social consequences. *Journal of Personality and Social Psychology*, 97, 1074–1096.

- Good, L.K., & Huddleston, P. (1995). Ethnocentrism of Polish and Russian consumers: Are feelings and intentions related. *International Marketing Review*, 12, 35–48.
- Greenwald, A.G., & Banaji, M.R. (1995). Implicit social cognition: Attitudes, self-esteem, and stereotypes. *Psychol Rev.*, 102, 4–27.
- Han, C.M. (1988). The role of consumer patriotism in the choice of domestic versus foreign products. *Journal of Advertising Research*, 28, 25–32.
- Haslam, S.A., Jetten, J., Postmes, T., & Haslam, C. (2009). Social identity, health, and well-being: an emerging agenda for applied psychology. *Applied Psychology: An International Review*, 58, 1–23.
- Hayes, A.F. (2015). Process for SPSS and SAS version 2.16. [www.processmacro.org]. URL http://www.processmacro.org/download.html (accessed on July 10th, 2015).
- Hofstede, G. (1984). Culture's consequences: International differences in work-related values. Newbury Park, CA: Sage.
- Jackson, J.W., & Smith, E.R. (1999). Conceptualizing social identity: A new framework and evidence for impact for different dimensions. Personality and Social Psychology Bulletin, 25, 120–135.
- Jin, Z., Lynch, R., Attia, S., Chansarkar, B., Gulsoy, T., Lapoule, P., Liu, X., Newburry, W., Nooraini, M.S., Parente, R., Purani, K., & Ungenger, M. (2015). The relationship between consumer ethnocentrism, cosmopolitanism and product country image among younger generation consumers: the moderating role of country development status. *International Business Review*, 24, 380–393.
- Kaynak, E., & Kara, A. (2002). Consumer perceptions of foreign products: An analysis of product-country images and ethnocentrism. *European Journal of Marketing*, 36, 928–949.
- Kelly, C. (1988). Intergroup differentiation in a political context. British Journal of Social Psychology, 21, 319–340.
- Khan, M.N., & Rizvi, S.R. (2010). Consumer ethnocentrism: Validating the CETSCALE in India. IMS Manthan, 5, 29–89.
- Lajevardi, M., Memeshi, E.G., Fakharmanesh, S., & Shirzadegan, A. (2014). Investigating the effect of customer ethnocentrism on awareness of customer product origin. Advances in Environmental Biology, 4, 267–271.
- Maison, D., & Gregg, A. (2016). Capturing the consumer's unconscious. Applying the implicite association test in consumer research. In: *International Handbook of Consumer Psychology* (ed. by Jansson-Boyd & M. Zawisza), pp. 143–164. Routledge, London: Taylor & Francis Group.
- Maison, D., & Maliszewski, N. (2016). "Worse but Ours," or "Better but Theirs?" The Role of Implicit Consumer Ethnocentrism (ICE) in Product Preference. *Front Psychol.*, 22, 18–30.
- Nadiri, H., & Tümer, M. (2010). Influence of ethnocentrism on consumers' intention to buy domestically produced goods: An empirical study in North Cyprus. *Journal of Business Economics & Management*. 11, 444–461
- Netemeyer, R.G., Durvasula, S., & Lichtenstein, D.R. (1991). A crossnational assessment of the reliability and validity of the CETSCALE. *Journal of Marketing Research*, 28, 320–327.
- Preacher, K.J., & Hayes, A.F. (2008). Asymptotic and resampling strategies for assessing and comparing indirect effects in multiple mediator models. *Behavior Research Methods*, 40, 879–891.
- Saffu, K., & Walker, J.H. (2005). An assessment of CETSCAE in an advanced and transitional country: The case of Canada and Rusia. *International Journal of Management*, 22, 556–571.
- Shah, K.A.M., & Ibrahim, H.I. (2012). Consumer ethnocentrism: does it really matter for Malaysian consumer. West East Journal of Social Science, 1, 26–38.
- Shankarmahesh, M.N. (2006). Consumer ethnocentrism: An integrative review of its antecedents and Consequences. *International Marketing Review*, 23, 146–172.
- Shimp, T., & Sharma, S. (1987). The construction and validation of CETSCALE. *Journal of Marketing Research*, 24, 280–289.
- Siamagka, N.T., & Balabanis (2015). Revisiting consumer ethnocentrism. Review conceptualisation, and empirical testing. *Journal of International Marketing*, 23, 66–86.
- Stets, J.E., & Burke, P.J. (2000). Identity theory and social identity theory. Social Psychology Quarterly, 63, 224–237.
- Supphellen, M., & Rittenburg, T.L. (2001). Consumer ethnocentrism when foreign products are better. *Psychology & Marketing*, 18, 901–927.



Dominika Maison, Rahkman Ardi, Jony Eko Yulianto, Cicilia Larasati Rembulan

- Szromnik. A., & Wolanin-Jarosz, E. (2013). Ethnocentric attitudes
- and buying decisions of Poles and Hungarians the essence and measurement with the use of Cetscale analysis, Zeszyty Naukowe SGGW. Polityki Europejskie, Finanse i Marketing, 59, 717–728.
- Tajfel, H. (1978). Differentiation Between Social Groups: Studies in the Social Psychology of Intergroup Relations. London: Academic
- Tajfel, H., & Turner, J.C. (1979). An integrative theory of intergroup conflict. In: The Social Psychology of Intergroup Relation (ed. by. W. Austin & S. Worchel), pp. 33-47. Monterey, CA: Brooks/Cole.
- Turner, J.C., Hogg, M.A., Oakes, P.J., Reicher, P.J., & Wetherell, M.S. (1987). Rediscovering the Social Group: A Self-categorization Theory. Oxford: Blackwell.
- Tsai, W., Lee, W., & Song, Y. (2013). A cross-cultural study of consumer ethnocentrism between China and the U.S. Journal of International Consumer Marketing, 25, 80-93.
- Van Zomeren, M., Postmes, T., & Spears, R. (2008). Toward an integrative social identity model of collective action: A quantitative research synthesis of three socio-psychological perspective. Psychological Bulletin, 134, 504-535.

- Vida, I., & Reardon, J. (2008). Domestic consumption, rational, affective or normative choice? Journal of Consumer Marketing, 25, 34-44.
- Wanat, T., & Stefanska, M. (2014). Społeczno-demograficzne uwarunkowania etnocentryzmu na przykładzie Polski. Marketing i Rynek,
- Watson, J.J., & Wright, K. (2000). Consumer ethnocentrism and attitudes toward domestic and foreign products. European Journal of Marketing, 34, 1149-1166.
- White, K., Argo, J.J., & Sengupta, J. (2012). Dissociative versus associative responses to social identity threat: The role of consumer self--construal. Journal of Consumer Research, 39, 704-19.
- Witkowski, T.H. (1998). Consumer ethnocentrism in two emerging markets: Determinants and predictive validity. Advances in Consumer Research, 25, 258-263.
- Yoo, B., & Donthu, N. (2005). The effect of personal cultural orientation on consumer ethnocentrism: Evaluations and behaviors of U.S. consumers toward Japanese products. Journal of International Consumer Marketing, 18, 7-44.