“Consumer Demographics as Antecedents in the Animosity Model of Foreign Product Purchase”

Charles W. Richardson, Jr.
Assistant Professor - Marketing
Clark Atlanta University - School of Business
223 James P. Brawley Drive
Atlanta, GA 30314
USA

Abstract

The globalization of markets appears to be limited by key social factors still present in the mind of the consumer. One of those factors is ethnocentrism, which protects local products against foreign products. Another factor is animosity, which distinguishes foreign products between those that are favored and those that are rejected on the basis of a specific country of origin. Both constructs have been defined on a nationalistic basis, and prior research has focused on country-to-country relationships and interaction. However, either construct may not impact similarly one country’s consumers. Key antecedents include demographic characteristics of the consumer. American consumers were surveyed regarding their attitudes towards Japan and Japanese products. Results indicate that various demographic measures do, indeed, have a significant impact on the presence of animosity and/or ethnocentrism. This confirms that sub-national segmentation can be a critical consideration.

Key Words: Animosity, ethnocentrism, demographic antecedents, cross-cultural studies, consumer behavior

1. Introduction

This research extends the existing literature by examining potential additions to the Animosity Model of Foreign Product Purchase. In doing so, this research:

1. Investigates the presence of ethnocentrism, which is positive motivation to consume domestic products.
2. Investigates the presence of animosity, which is negative motivation to avoid consumption of foreign goods.
3. Examines the significance of consumer demographics as antecedents of ethnocentrism and animosity.

Explored here is the notion that individuals in America may possess varying levels of ethnocentrism and/or animosity due to their demographic characteristics. But before assuming that demographic measures can be used to target consumers differently, it should be determined to what extent personal demographic characteristics override an individual’s nationality. This study contributes to the existing global purchasing behavior literature in two areas. First, it extends the examination of the animosity model of foreign product purchase into a diverse population. Secondly, it examines additions to the model and tests for significant demographic variables as antecedents.

2. Literature Review

2.1 Animosity

The initial research on animosity establishes that consumers avoid products from particular countries, not because of the inherent quality of the product, but because of animosity towards the country of origin. Animosity is defined as ill will or resentment tending toward active hostility: an antagonistic attitude. A history of conflicts, overt or covert acts of violence or terrorism, political positions, religious, ethnic and cultural differences are all reasons why citizens of one country will develop feelings of animosity towards another country, and hence, an aversion to consuming products and/or services originating in that country. For the most part, this initial research concentrated on situations and circumstances that facilitate evaluation of this animosity:

1. The consuming country and the producing country have reasonably homogeneous populations, with similar thinking, beliefs and behavior.
2. A well documented history of poor bilateral relations between the two countries.
3. Trade relationships which are not overly diverse. The producing country provides a large portion of the imports of the consuming country, hereby limiting product choice.
Klein, Ettenson and Morris (1998) developed and presented the Animosity Model of Foreign Product Purchase, and tested its validity by surveying Chinese consumers and their attitudes on consumption of Japanese-made products. They proposed that “the construct of animosity—defined as the remnants of antipathy related to previous or ongoing military, political, or economic events—will affect consumers’ purchase behavior in the international marketplace. Furthermore, in contrast to the large amount of extant literature on foreign product purchase, we propose that a product's origin can affect consumer buying decisions independent of product judgments. In other words, consumers might avoid products from the offending nation not because of concern about the quality of goods, but because the exporting nation has engaged in military, political, or economic acts that a consumer finds both grievous and difficult to forgive.”

Klein and Ettenson (1999) examined U. S. consumers of Japanese goods to determine antecedents for the animosity and ethnocentrism constructs. They found that the profile of the ethnocentric consumer is different from the consumer holding animosity towards a specific exporting nation, further supporting the model structure and earlier conclusions that animosity and ethnocentrism are separate and distinct factors. “Those who are high in consumer ethnocentrism tend to be female, of lower socioeconomic status, and are concerned about their personal finances and the nation's economy. In contrast, older and white consumers who hold negative attitudes about Asians are more likely to harbor animosity toward Japan. In addition, respondents who manifest high levels of both consumer ethnocentrism and consumer animosity were more likely to be patriotic and union members.” (Klein & Ettenson (1999))

Using an additional survey of U. S. consumers, Klein (2002) found additional support for this notion that international animosity and consumer ethnocentrism are distinct constructs that play different roles depending on the set of products available to consumers. Those results showed that animosity toward a foreign nation is related to choices between foreign goods, while consumer ethnocentrism is related to choices between domestic and foreign goods. Shin (2001) performed an empirical test of the animosity model in of Korea, also using Japanese-made products, and concluded that the animosity model generally works in Korea. Nijssen and Douglass (2004) looked to extend the model and confirm the findings in small countries, where there are no domestic brands or products in many product categories. Their study examined Dutch consumption of German products. Results concluded that consumer ethnocentrism and feelings of animosity still have an important impact on the evaluation of foreign products. Shimp, Dunn and Klein (2004) extended the model to examine regional animosity between Southern U. S. consumers and products originating in the Northern states. The results indicate consistency with the previous international findings, with respondents displaying a preference for products/services that originated in their home region.

2.2 Consumer’s Background as Antecedents

The globalization trend has created a nationalistic orientation, and nationality has become a proxy for culture. A large amount of research has been done on COO/COM effects on international buying behavior. A number of studies examine the issue using cross-national data to reflect cross-national behavior. Others, however, use cross-national data to examine cross-cultural behavior, such as Bozell and Gallup (1996). Maheswaran (1994) makes note of this fact, and that extensive work on COO effects has not yet evolved into sub-national segmentation to explain intricacies of consumer buying behavior. Laroche, et al (2003) confirm this point, in their study of Canadian consumers. (Maheswaran himself (Gurhan-Canli and Maheswaran (2000)) has used nationalistic characteristics of collectivism and individualism (of Japan and United States, respectively) to explain cultural differences in COO effects.

Lenartowicz and Roth (2001), make the point that while a variety of dimensions have been used to reflect culture, the cultural grouping or unit of analysis typically has been identified by national geopolitical boundaries. Thus, both single-culture and cross-cultural studies on COO effects have implicitly assumed that homogeneous consumer groups exist within the nations studied, which is a 'fallacy' (Padmanabhan, (1988)). As mentioned earlier, Han (1988) found that citizenship affected consumers’ perception of COO effects and product quality. A survey by Bozell and Gallup (1996) found that considerable differences in perceptions exist across countries. For example, European consumers chose Germany as the quality leader, whereas in Asia, Japan emerges as the quality leader. In Klein, et al (1998), the animosity affect was acknowledged to be a factor of the region in which the consumers lived, Nanjing - an area directly targeted by Japanese atrocities. It was also acknowledged that levels of animosity might be lower in areas not directly affected by these events.
Heslop, Papadopoulos and Bourk (1998) and Laroch, et al (2003) researched English and French Canadians' attitudes towards products from countries with historical affiliations to England or France. Both studies confirm sub-cultural differences in consumers’ attitudes toward COO. Demographic characteristics of consumers have been examined in a number of studies to determine whether demographics are appropriate cues in studies evaluating COO effects. Results, however, have been inconsistent. In Han (1988), age was found to be positively related to consumer patriotism, while the results of Sharma, Shimp and Shin (1995) were inconclusive. Given this pattern of mixed and/or conflicting results, age will not be expected to be a predictor of ethnocentrism. In contrast, animosity is more likely to be related to age. Although there are fewer studies which specifically address ethnocentrism and animosity, those results have been more consistent. Klein and Ettenson (1999) examined U. S. consumers of Japanese goods to determine antecedents for the animosity and ethnocentrism constructs.

They found that the profile of the ethnocentric consumer is different from the consumer holding animosity towards a specific exporting nation, further supporting the model structure and earlier conclusions that animosity and ethnocentrism are separate and distinct factors. “Those who are high in consumer ethnocentrism tend to be female, of lower socioeconomic status, and are concerned about their personal finances and the nation's economy. In contrast, older and white consumers who hold negative attitudes about Asians are more likely to harbor animosity toward Japan. In addition, respondents who manifest high levels of both consumer ethnocentrism and consumer animosity were more likely to be patriotic and union members.” (Klein & Ettenson (1999)). Klein and Morris (1996) found that older consumers are more likely to hold animosity towards Japan. Additional studies examining antecedents for the animosity construct have followed, and include Shoham, Davidow, Klein and Ruvio (2006), who showed support for consideration of ethnic group considerations in general, and dogmatism, nationalism and internationalism, in particular. Leong, et al. (2008) found that animosity is impacted by constructs of external attribution and perceived external control.

3. Methodology

3.1 Hypotheses

H$_1$: Education will be negatively related to Ethnocentrism.
H$_{1a}$: Education will not be predictive of Animosity towards Japan.

H$_2$: Household Income will be negatively related to Ethnocentrism.
H$_{2a}$: Household Income will not be predictive of Animosity towards Japan

H$_3$: Age will not be predictive of Ethnocentrism.
H$_{3a}$: Age will be positively related to Animosity toward Japan

H$_4$: Females will be more likely than males to hold consumer ethnocentric beliefs.
H$_{4a}$: Males will be more likely than females to hold animosity toward Japan.

3.2 Measures

American consumers were surveyed regarding their attitudes towards Japan and Japanese products. Respondents were asked to complete a survey and indicate their agreement (on a 1 = "strongly disagree" to 7 = "strongly agree" scale) with statements regarding four general constructs:

1. Japanese product quality
2. Willingness to buy Japanese products
3. Consumer Ethnocentrism
4. Animosity toward Japan.


4. Analysis

The measurement scales for each of the constructs were examined through the application of confirmatory factor analysis, confirming the reliability (Cronbach’s alpha ranging from .83 to .85) of each of the scale items, as shown in previous research involving the Animosity Model of Foreign Product Purchase.
The relationships of the demographic variables with animosity and/or ethnocentrism were tested by analysis of variance, checking for response differences across the categories specified for each demographic measure.

5. Findings

Overall, the results are not extreme, showing low levels of ethnocentrism and animosity, and positive feelings about products and services from Japan. These results are directionally consistent with Klein (2002). In that study, product judgments are positive (mean of 4.60), indicating favorable opinions on the quality of Japanese products. Klein’s study results indicated a neutral position on Ethnocentrism (mean of 4.05) and negative scores (low levels) on Animosity (mean of 3.50). The results of the current study indicate even higher (more positive) opinion on the quality of Japanese products (5.26), and even lower levels of Animosity and Ethnocentrism (Animosity a mean of 2.35 and Ethnocentrism a mean of 2.84).

Hypothesis 1 indicates that Education will be negatively related to Ethnocentrism. Hypothesis 1a indicates that Education will not be predictive of Animosity towards Japan. The results indicate that education is indeed significantly, negatively related to Ethnocentrism, supporting Hypothesis 1. Increased education leads to less ethnocentric feelings. Results also indicate that there is a significant, negative relationship between Education and Animosity, that is, increased education also leads to lower levels of animosity (towards Japan), not supporting Hypothesis 1a. The relationship is less strong than that of Education and Ethnocentrism, but as stated, still significant. The results are summarized in Table 1.

Table 1 – ANOVA of Ethnocentrism and Animosity by Education

<table>
<thead>
<tr>
<th></th>
<th>Mean Square</th>
<th>F</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethnocentrism</td>
<td>721.675</td>
<td>19.747</td>
<td>.000</td>
</tr>
<tr>
<td>Animosity</td>
<td>63.163</td>
<td>5.573</td>
<td>.019</td>
</tr>
</tbody>
</table>

Hypothesis 2 indicates that Household Income will be negatively related to Ethnocentrism. Hypothesis 2a indicates that Household Income will not be predictive of Animosity. The results indicate that Hypothesis 2 is supported; there is a significant, negative relationship between Household Income and Ethnocentrism. The data also support Hypothesis 2a, indicating that there is not a significant relationship between Household Income and Animosity towards Japan. The results are displayed in Table 2.

Table 2 – ANOVA of Ethnocentrism and Animosity by Household Income

<table>
<thead>
<tr>
<th></th>
<th>Mean Square</th>
<th>F</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethnocentrism</td>
<td>225.048</td>
<td>5.925</td>
<td>.015</td>
</tr>
<tr>
<td>Animosity</td>
<td>25.777</td>
<td>2.253</td>
<td>.134</td>
</tr>
</tbody>
</table>

Hypothesis 3 indicates that Age will not be predictive of Ethnocentrism. The data does not support Hypothesis 3, as the results show that there is a significant, positive relationship between Age and Ethnocentrism. Hypothesis 3a indicates that Age will be positively related to Animosity towards Japan. The results indicate that Hypothesis 3a is supported; there is a significant, positive relationship between Age and Animosity towards Japan. Despite the position represented by Hypothesis 3, the relationship between Age and Ethnocentrism is more significant than the relationship between Age and Animosity. Results are displayed in Table 3.

Table 3 – ANOVA of Ethnocentrism and Animosity by Age

<table>
<thead>
<tr>
<th></th>
<th>Mean Square</th>
<th>F</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethnocentrism</td>
<td>299.654</td>
<td>7.934</td>
<td>.005</td>
</tr>
<tr>
<td>Animosity</td>
<td>74.968</td>
<td>6.635</td>
<td>.010</td>
</tr>
</tbody>
</table>

Hypothesis 4 indicates that Females will be more likely than males to hold ethnocentric beliefs. The data does not support Hypothesis 4. Ethnocentrism levels are actually higher for males than females, but not by a significant margin. Hypothesis 4a indicates that Males will be more likely than females to hold feelings of animosity towards Japan. The data does support Hypothesis 4a. Feelings of animosity towards Japan are higher for males than females, and the difference is significant at the .10 level. The results are displayed in Tables 4 and 5.
Table 4 – Comparison of Means by Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Mean - Ethnocentrism</th>
<th>Mean - Animosity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>2.8939</td>
<td>2.4413</td>
</tr>
<tr>
<td>Female</td>
<td>2.7766</td>
<td>2.2446</td>
</tr>
</tbody>
</table>

Table 5 – ANOVA of Ethnocentrism And Animosity By Gender

<table>
<thead>
<tr>
<th></th>
<th>Mean Square</th>
<th>F</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethnocentrism</td>
<td>1.195</td>
<td>0.495</td>
<td>.482</td>
</tr>
<tr>
<td>Animosity</td>
<td>3.366</td>
<td>2.650</td>
<td>.104</td>
</tr>
</tbody>
</table>

6. Discussion And Implications

6.1 Demographic Variables as Antecedents

Most of the prior research on the animosity model of foreign product purchase (Klein, et al. (1998), Shin (2001), Nijssen and Douglass (2004)) does not investigate typical demographics as predictor variables. Klein and Ettenson (1999) utilize a secondary data set in an attempt to identify demographic variables that will serve as antecedents for ethnocentrism and animosity. Comparisons with this study will be made, even though it is the one study in this line of research that does not utilize the established scales for ethnocentrism or animosity. Klein (2002), in a subsequent study, concentrates on the delineation between animosity and ethnocentrism, and does not investigate the potential impact of demographics, with the exception of age and gender. Only age was included as a variable of interest with regard to the formulation of formal hypotheses. (Gender was included in the data gathered, and was tested for its potential relationships). However, there have been a number of studies on country of origin effects that examine demographics as variables of interest, for example, Wall and Heslop (1986), Han (1988) and Sharma, Shimp and Shin (1995). The current study investigates age, gender, education and household income as potential predictors of ethnocentrism and/or animosity, with the following results:

Age and Education are drivers of both constructs, Household Income is an additional driver of Ethnocentrism and Gender is a significant predictor of Animosity. While overall levels of the constructs are low, there are significant differences in the responses based on these demographic variables. Previous studies on the relationship between demographic measures and ethnocentrism, animosity and country of origin effects yield mixed and inconsistent results.

6.2 Education

A number of studies concluded that higher levels of academic achievement is positively related to more favorable attitudes toward foreign goods and less favorable attitudes toward domestic alternatives. Wall and Heslop (1986) found that Canadian consumers with a higher education were more negative about the quality of domestic products relative to imports, while those with less education were more likely to pay a premium to purchase a domestic good. Sharma, Shimp and Shin (1995) found similar results in Korea. Klein and Ettenson (1999) found that individuals with greater education held more negative feelings about supporting limits. That same study found no significant relationship between education and animosity towards Japan.

6.3 Household Income

Some studies report results that show no significant relationship between income and nationalistic feelings about domestic and foreign products. Johansson, et al. (1985) studied American and Japanese consumers and their attitudes towards attributes of automobiles of three national origins (United States, Japan and Germany). That study found no significant relationship between income and attribute ratings. Han (1988) investigated the role of consumer patriotism in choosing between domestic and foreign products. His results also found no significant relationship between income and consumers purchase attitudes. Other studies found significant linkages between income and attitudes towards foreign and domestic products. Wall and Heslop (1986) found that those with higher incomes were more negative about the quality of domestic goods relative to imports, while lower income consumers tended to believe that domestic goods are comparable in quality to imports. In addition, those with lower incomes are more willing to pay a premium for a domestically-produced alternative.
Sharma, Shimp and Shin (1995) found a significant, negative relationship between ethnocentrism and income levels of consumers in Korea. Klein and Ettenson (1999) found that income had a marginally significant relationship between income and ethnocentrism, but was not predictive of animosity.

6.4 Age

Just as was found with income, the results and findings of various studies on the relationship between age and consumer ethnocentrism and animosity is mixed. Han (1988) found that age was positively related to consumer patriotism. Wall and Heslop (1986) found that older consumers are more likely to pay a premium to buy a domestic alternative. Han (1988) found that younger consumers have more positive attitudes toward imports. Sharma, Shimp, and Shin (1995) found no significant relationship between age and ethnocentrism. Klein and Morris (1996) also found that older respondents were significantly more likely than younger respondents to hold animosity toward Japan. Klein and Ettenson (1999) found that older consumers were more likely to hold animosity toward Japan. However, that same study found that age was not significantly related to consumer ethnocentrism. Klein (2002) found that there was a significant relationship found between age and animosity, but none between age and consumer ethnocentrism.

6.5 Gender

Gender has been found to be a significant variable with regard to global product attitudes in a number of previous studies. Wall and Heslop (1986) found women to rate domestic products more positively than their male counterparts, and that they believe that domestic goods are able to compete with imports on quality. Han (1988) found that American women were more likely than American men to have high levels of consumer patriotism. These findings are consistent with those of Sharma, Shimp, and Shin (1995) who found that Korean women were more likely to hold ethnocentric beliefs than their male counterparts. Klein and Morris (1996) found no significant relationship between gender and animosity towards Japan. Klein and Ettenson (1999) found that women were more ethnocentric than men, but that there was no significant relationship between gender and animosity. Klein (2002) found that men were more likely to hold economic animosity toward Japan, but there were no significant relationships between gender and war animosity, general animosity, or consumer ethnocentrism.

From a managerial perspective, this study supports the direction of the findings contained in Lange (1990), Heslop, et al. (1998) and Laroche, et al. (2003). Marketing plan decisions in homogeneous populations can be made on a nationalistic basis. However, international marketers must face the reality that when determining optimal marketing mix components in diverse nations, national segmentation is simply not enough. Sub-segments of a country’s population, whether defined by ethnic grouping, nationalistic ties, or demographic measures, must be addressed by marketers and their messages. Failure to do so will misrepresent the focus for some of these consumers. At best the messages will be ignored; at worst, they may offend certain consumer segments. Demographic measures have traditionally been applied and focused on singularly. This research supports the initiative and practical direction of considering a population of consumers as defined by multiple identification traits. These traits exist simultaneously, but are recognized and utilized on a situational, dynamic basis. Models will need to be developed and interpret situational weighting of cross-cultural characteristics. Marketing programs based on nationalism and patriotic emotions should be closely monitored for currency, as emotions can shift, sometimes quickly, and purchase decisions will shift accordingly.

7. Limitations of the Study and Opportunities for Future Research

This study has provided some interesting perspective on the workings of the Animosity Model of Foreign Product Purchase, possibly contradicting some of the existing theory. With that said, it is important to recognize its limitations – and in doing so, to make suggestions for a number of potential directions for future research.

First, participants involved in this study were polled regarding their attitudes on global products. Prior research has indicated that individual product categories generate specific quality/value judgments, and country and/or product evaluations can be attribute-specific. Given the objectives of the current study, product specific research was not necessary. However, it is possible that product categories and country pairings may yield further insight into variations in consumption attitudes within a cross-cultural population.

Secondly, additional inquiries, along the lines of psychographic and/or lifestyle measures may provide additional insight into the multiple characteristics used to identify meaningful customer segments.
Previous research (Papadopoulos and Heslop (1986) and Nijssen and Douglass (2004)) found foreign travel produced more ‘global’ perspectives in affected consumers, and therefore less ethnocentrism and animosity.

Thirdly, country of origin signals have become more complicated. Country of origin, country of manufacture, country of assembly and/or country of ownership provide a variety of perspectives on product-country relationships. The present study made no attempt to differentiate between these various points of view or interpretations of product origin. It is possible that consumers will have varying attitudes and views about their support of foreign product purchase, if the foreign product actually has some domestic affiliation, through assembly or otherwise. On the other hand, more and more, these various dimensions only further complicate the decision making process, as accurate information regarding these product characteristics are increasingly hard to come by.

With regard to future research, the investigation of ethnicity and strength of ethnic identification can explored as potential antecedents to ethnocentrism and animosity. In addition, examining strength of ethnic identification, and its relationship with other nationalistic constructs such as patriotism may yield further insight into cross-cultural versus nationalistic consumer segmentation.

One of the issues in current global consumption seems to be the ability to discern product and/or attribute cues or signals. More effective labeling practices may also be found to be helpful in making purchase decisions. Current perspectives on globalization (“The World is Flat”) has made some people ambivalent about country of origin characteristics. Research regarding attitudes towards product/country pairings with more distinct quality differences may yield stronger levels of preference.

Finally, it should be obvious that there is a need to investigate other subcultures, in various regions around the world. This type of research is particularly needed in countries with diverse population segments and that have many different cultures living together. Canada, the United States, and several European countries have varying segments of diverse population sub-cultures. There may be a number of dimensions of attitudes and/or behavior that vary according to the group studied. As demonstrated by Laroch, et al (2003), cultural relationships that are the remnants of colonization will yield demonstrably differing attitudes toward product/country pairings. There is a myriad of parent/colony relationships that would support study in this area.

In summary, this study shows that cross-cultural considerations are considerably more important in product evaluation decisions than was previously thought. A nationalistic orientation is no longer the paradigm of choice. Nor is it practical. It is time that study of sub-cultural groups in various other countries is undertaken. Such studies will help provide insights into the nature and magnitude of cultural perspectives on product and country evaluations.

REFERENCES


Figure One

Proposed Model (With Antecedents To Ethnocentrism And Animosity)