

# Ethnocentrism and country of origin assignment

[Sociology](#)



“ Ethnocentrism and country of origin effects among foreigner consumer”

Brief Background Introduction A few years ago, most domestic company were considered self-contained and didn't have to worry about competitors from other country. However, the growing globalization of markets is bringing new competitors from all over the world, exposing consumers to a wider range of foreign products and broadening their choices. In consequence, products' country-of-origin was added as a new variable for determining the quality of products.

We conduct this research to determine Ethnocentric and Non-Ethnocentric purchase intention and what are the criteria that effect purchase intention of both Ethnocentric and Non-Ethnocentric consumer. Communication tech analogies these days have increased information diffusion and in line with that consumers' exposure to a wider variety of foreign products. Country-of-origin and its effects on product evaluations have received greater attention in international marketing.

Country-of-origin perceptions are mostly formed on consumer's experience with that country and its products based on personal visits or their own ethnocentric tendencies. The word ethnocentrism explains he phenomenon for a preference of nationally produced goods over internationally manufactured product. Ethnocentric consumers feel moral appropriateness and strong national pride to purchase domestic product over foreign product, imports goods are viewed as potential threats for the home economy.

This research fining is an empirical study about the influence of country-of-origin and ethnocentrism on the perception of two consuming cultures,

namely Sweden and Britain, This research should be conduct because it will help enable businesses with outsourcing ambitions and plans o better forecast market demand of Thai, Swedish and British market and finding the different consumer perception toward domestic products and foreign products.

Consumers awareness and perception of country-of-origin have increased since every company have to put country-of-origin labeling; consumers are paying attention to the origin of certain brands of products as part of their evaluation and purchasing decision process. Management Problem What are the criteria effect purchase intention of both Ethnocentric and Non HTH necrotic consumer? Research scope and objectives 1 . To identify whether non-ethnocentric foreigner consumers favor foreign products. . TO identify whether ethnocentric foreigner products of their home countries re to foreign products, regardless of the economic standing of foreign countries. 3. To identify whether non; ethnocentric foreigner consumers favor foreign products of those advanced countries. 4. To identify whether both ethnocentric and non-ethnocentric foreigner favor the products of those advanced countries. Research questions 1 . How do foreign consumers appraise domestic products compared to foreign products? 2.

How do foreign consumers appraise products of home ND foreign countries related to those of advanced countries ? 3. How does the relative level of economic advancement of each country affect these evaluations?

Conceptual Model / Framework Research Hypotheses: H1 . Non-ethnocentric foreigners hold significantly more favorable (a) quality evaluations and (b) purchase intentions toward the products of economically advanced countries  
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relative to those of economically developing countries (I. E. The COO effect). H2O.

Ethnocentric foreigners hold significantly more favorable (a) quality evaluations and (b) purchase intentions toward the reduces of their home and host countries relative to foreign products, regardless of the economic standing of foreign countries (I. E. The CE effect). HA. When home and host countries represent significantly different degrees of economic advancement, both ethnocentric and non-ethnocentric immigrants hold significantly more favorable (a) quality evaluations and (b) purchase intentions toward the products of the more advanced country (I. . The combined CE and COO effects). Research Design and Methodology Type of research design In the research, exploratory research is used to be instrument tool so that it s able to provide deep understand of the following factors: consumer ethnocentrism, country of origin, quality evaluations, purchase intentions and level of economic advancement. Furthermore, we studied each factor from literature review and then we will able to conduct conceptual model or framework and hypotheses.

Also for the conclusive research, we can conduct by using descriptive research design to test the relationship of these factors across nations (cross-sectional) Data collection from secondary source Our group has searched information from Assumption University library Bessie through Emerald database and online journals which can helps us to gain more ideas and get to know about the related concept from the articles of the experience researchers. Also we use the information from search engines

such as Google, Yahoo, etc. In order to link each variable then create the conceptual framework and hypotheses.

Data collection from primary source For data collection from primary source, we use smart survey to be a method of observation through email questionnaire that can easily send to Thai, British and Swedish who are separated in different areas. The period of election data is approximately one month from 1 March to 6 April 2015. Scaling technique According to our conceptual framework, there are five variables: consumer ethnocentrism, county of origin, quality evaluations, purchase intentions and level of economic advancement.

The scale techniques of each type depend on the questions on the questionnaire. From all these variables could be divided into two types of scale techniques: nominal and interval scales. Quality evaluations, purchase intentions, and level of economic advancement are interval scale. Moreover, country of origin and consumer ethnocentrism are seed by nominal scale  
Questionnaire Development/Adaptation Our groups collect data by using questionnaire as the instrument, we have three versions that are Thai language for Thai, Swedish language for non- English nationals and English language for English speaking.

In the questionnaire is close-ended questions which is attitude rating scale (Liker scale). Sampling technique We implement different types Of Non-probability sampling methods for collecting data from respondents including: Quota sampling method: we divide respondents as a quota: 20 Thai, 20 English-speaking, and 20 Non-English nationals for each member in our roof.

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Snowball sampling method: is used for Thai, English-speaking, Non English nationals as we collected data by using extended association from friends, relative, etc.

Judgmental (purposive) sampling method: is used as we select the respondents purposively in specific group based on age and nationality. Field work Our questionnaires have three versions which are Thai, Swedish, and English version. We will distribute Thai questionnaire version to Thai respondents by drop off. For Swedish respondents, we will distribute Swedish questionnaire version through self-administration via email survey. For British, we will distribute English questionnaire version through self-administration via email survey.

We have five members in our group and each member has responsibility to find 20 Thai respondents, 20 Swedish respondents, 20 British respondents to collect the data. Literature Review 1. Country of origin (Coo) According to Wang and Lamb (1983), country of origin effects are intangible barriers to enter new markets in the form of negative consumer bias toward imported products. Johansson et al. (1985) and Isomer and Cassavas (1991) define country of origin as the country where corporate headquarters of the many marketing the product or brand is located.

Country of origin is inherent in certain brands. IBM and Sony, for example, imply US and Japanese origins, respectively (Sammie, 1994). Bilked and Ones (1982), Catkin et al. , (1982), Han and Trappers (1988), Lee and Changers (1996), Padlock's (1993) and White (1979), define the product's country of origin as " the country of manufacture or assembly". It refers to

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the final point of manufacture which can be the same as the headquarters for a company.

The country-of-origin cue helps consumers to make inferences about quality, and affects their levels about product attributes (Han, 1989). According to Sammie (1994) "country of manufacture pertains to firms that maintains a relatively large global network of operations or do business with a variety of suppliers, e. G. , contract manufacturing' (p. 581 While, Banister and Saunders (1 978), Chasing and Gaffe (1979) and Mashing (1970, 1 977) used the term "made" [1] to define the country of origin of the product.

In the modern in marketplace defining the country of origin can be a very complicated task. The growth of multinational companies and the evaluation of hybrid reduces[2], with components from many source countries, have in many cases blurred the accuracy or validity of "made in" labels (Baker and Machine, 1 995; Vaughn and Yap, 1 993; Chaos, 1993; Yap and Vaughn, 1991). For example, Sony is a Japanese manufacturer but some of its products are assembled outside Japan in countries like Singapore (Baker and Machine, 1995).

With this example, the product assembled in Singapore would be denoted "assembled in Singapore" and that assembled in Japan would be considered as "made in Japan" (see Figure 1).

2. Level of economic advancement  
Previous studies have suggested a positive correlation between the evaluations of domestic products and a country's level of economic development (Gadded, 1973; Tone and Walters, 1 989; Wang and Lamb, 1983). A consumer will tend to purchase a product made in a

technologically-advanced country if he or she judges its quality as better than that of merchandise produced in a less-developed country.

Moreover, a product's country-of-origin often serves as a cue activating a consumer's ethnocentric tendency (Huddles et al. , 2001 As such, willingness to buy domestic/foreign products is influenced by both ethnocentrism and quality judgment. In a developed country, consumers in general tend to have a higher quality perception of domestic than foreign products (Aimed and tattoos, 2001; Bilked and Ones, 1982; Dickerson, 1982; Mortgagors and Lizard, 1 987; Sammie, 1994).

This favorable perception would tend to enhance the influence of ethnocentrism on both the purchase of domestic and the rejection of foreign products. Consumerism issues in developed western countries including the U. AS. , Canada, France, the United Kingdom, Japan and Sweden have concerned themselves with such wide-ranging issues s the need for consumer choice, product information and consumer protection (Wickerwork, 1983; Geysers, 1977; Shapiro and Lenitive, 1 973; and Johansson, 1976).

Less-developed countries are getting to the point where there are various private and public corporations playing major roles in the economy; but, in essence, no consideration has been given to the protection of consumers (Reorder Snaky, 1985) Consumers in developing countries discount the impact of the price-quality relationship (which holds true for developed countries), as the higher inflation rate in most of those countries ends to make the majority of products' prices relatively high. Consequently, they resort to other ways to determine the quality of products (Aimed El- Katie).



Some research has been directed at examining consumer perceptions about developing countries (Chaos, 1993, 1998; Peterson and Jolliest, 1995; Lee et al., 2001) only some of these countries have been examined and hence there is a need to further explore developing countries' consumer product quality perceptions. 3. Consumer ethnocentrism (CE or GET) One of the most enduring forms of non-tariff barriers is that of "consumer ethnocentrism (GET)" (due to Shims and Sahara, 1987). GET indicates a general proclivity of buyers to shun all imported products irrespective of price or quality considerations due to nationalistic reasons.

GET can be "institutionalized in the form of an informal government procurement policy that unduly favors domestic companies" (Estate and Helsel, 1998) or can be prevalent as "a general societal tendency" (Shims and Sahara, 1987). Consumer ethnocentrism focuses on the appropriateness and morality perceived when purchasing foreign goods, as well as consumer loyalty to mystically produced goods (Shims and Sahara, 1987). Allan and Loeb (1996, p. 376) assert that, "ethnocentrism is the term which has often been applied to the home buying portion of the COO effect'.

Consumers with high levels of ethnocentrism tend to emphasize the positive aspects of domestic products and discount the virtues of foreign made items (Ravi et al., 1996), and are also more likely to purchase local products (Chary and Elliott, 2003; Balsamic and Administrations, 2004; Sham and Beer, 2003; Such and Swoon, 2002; Watson and Wright, 2000).

Gamesmanship's (2006) review of the literature on ethnocentrism supports these views as he identified that previous research has found that ethnocentrism affects consumers' attitudes toward foreign product's quality, <https://assignbuster.com/ethnocentrism-and-country-of-origin-assignment/>

as well as purchase intentions. . Non Ethnocentrism consumer Non-ethnocentric consumers, evaluate foreign goods on their own merit, not based on their country-of-origin (Premier et al. , 2002). Patriotic consumers tend to be more ethnocentric than Non-ethnocentric consumers (Savignat et al. , 2005; Sahara et al. , 1995). Nationalism entails adoration of the country, biased beliefs in the superiority of one's own country (Forbes, 1985; Vida et al. 2008) as well as exaggerated national self-images (Bilal et al. , 2001 ). 5.

Quality Evaluation Quality perception is treated as a multi-dimensional concept including appearance, color and design, durability, fashion, functionality, prestige, reliability, technical advancement, value for money, and workmanship (Darling and Arnold, 1988; Darling and Wood, 1990; Klein et al. 1998; Scott et al. , 1997; Watson and Wright, 2000). 6. Purchase decision/alienation Purchase decision: Intent to purchase is a kind of decision in which studied why a customer purchases a brand in particular.

Constructs like considering meeting purchasing a brand and anticipating to purchase a brand aids to scope the intentions of purchasing (Porter, 1974). Porter (1974) also elaborated customers' intention to purchase a focused brand is not merely by his same brand attitude, but also by his attitudes leading to other brands in choice of set considered. Schooner bachelor (2004) explained a type of loyal customer, whose purchase decision is insensitive to pricing and they show their loyalty by suggesting positive recommendations to firm and even investing money in the brand which shows their extreme trust in the brand.