Ethnocentric and Cosmopolitan Consumers’ Evaluations of Foreign Products: An Empirical Investigation

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Abstract

Prior research has shown that ethnocentrism (CET) is negatively related to product judgment (PJ) and willingness to buy (WTB) foreign products. However, prior research has also shown that cosmopolitanism (COSMO) relates positively to the two constructs. This study aims to generalize the extant research by empirically assessing whether their effects on PJ and WTB are homogeneous across products from four different countries of origin (COO): Japan, Germany, China, and Mexico. Built upon the social identity framework in the international marketing literature to analyze attitudes toward foreign goods or imports, this study assesses the effects of ethnocentrism, national identity (NATID), and cosmopolitanism which are potentially moderated by the COO and economic animosity (ANI). The focus of this investigation is on the effects of COSMO and the moderating impact of ANI in the US consumer context.

CET is an anti out-group construct and characterized by denying foreign products as they may hurt local economies and local jobs. It is very likely that consumers high in CET denigrate foreign products or imports outright regardless of COO. However, COSMO is a pro out-group construct and characterized by an openness to foreign countries and their products. Does that mean that cosmopolitans hold the same degree of favoritism towards all foreign countries and its products. In other words, do cosmopolitans hold the out-group homogeneity bias?

ANI has been found to have positive effects on foreign WTB, but no impact on PJ. When there is a clear economic friction or territorial dispute between home country and a foreign country (such as Vietnam-China dispute over South China Sea or US-China trade relation), even highly cosmopolitan consumers may back off from purchasing products from the foreign country because of a sense of threat (or due to Conformity with social desirability bias). This conjecture again claims that the impact of COSMO on foreign PJ or WTB is country-specific, not homogeneous.

Most empirical research in international marketing has contrasted home country with a single foreign country to assess the effects of COSMO on foreign PJ/WTB. Often times, such foreign countries have strong COO effects or country images (e.g.,
Germany or Japan, not Venezuela or Mexico). Then, the difference found between highly cosmopolitan and less cosmopolitan consumers might have been amplified by the strong COO or country image. If PJ/WTB is assessed for multiple foreign countries, it can be examined whether COSMO has a generalizable consistent positive impact on foreign PJ/WTB: i.e., whether the foreign country in question moderates the relation between COSMO and PJ/WTB. PJ/WTB for products from weak foreign countries are likely to be consistently low along the spectrum of COSMO. Furthermore, potential negative moderating effect of ANI on the link between COSMO and foreign PJ/WTB has not been investigated in the literature. This study strives to fill this gap too.

Research Question:
- Do cosmopolitan consumers have out-group homogeneity bias? In other words, its hypothesized positive impact on PJ/WTB is uniform across foreign countries?
- Are cosmopolitan consumers affected by widespread economic animosity or dislike toward certain foreign countries? Alternatively, are they immune from it?

Hypotheses:
- The (positive) impact of COSMO on foreign PJ/WTB is not uniform. Its positive link to foreign PJ/WTB shall emerge for countries with positive images. COSMO has no impact on foreign PJ/WTB for countries with negative country images.
- Cosmopolitan consumers will have lower PJ/WTB for countries with higher economic animosity or dislike than those with lower economic animosity.

Conceptual Framework (in progress):

Control (predictor) constructs: CET and National Identity
Other endogenous constructs: Home PJ/WTB
Key References:


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Relevance to Marketing Educators, Researchers, and Practitioners: The results of this study could have significant contribution to academic scholars by providing further empirical data on the impact of cosmopolitanism and foreign products. The results would also help marketers and international organizations on strategies in the global environment.

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