

# CONSUMER ETHNOCENTRISM: DOES IT REALLY MATTER FOR MALAYSIAN CONSUMERS

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## Abstract

*Studies on attitudes of local consumers towards foreign made products have getting more attention from researchers nowadays. There are many perspectives of study in this area. For example, consumer animosity, consumer ethnocentrism and consumer patriotism are among the topic that widely discussed in this area. Furthermore, this field of study also known as "made-in-foreign-origin" research has produced results pertinent to global marketers. In view of the growing internationalization of products and services, consumer ethnocentrism may play an important role in the global market place. Ethnocentric consumers are reluctant to make use of products and services provided by foreign companies, because of a sense of loyalty towards their home country. Researchers have previously examined the effect of demographic variables such as age, gender, education, income level, and foreign travel on consumer ethnocentrism. Additionally, previous researches also provide empirical evidence on the relationship between consumer ethnocentrism and foreign product judgment. Therefore, the focus of current study is on the profile of ethnocentric Malaysian consumers, comparison of consumer ethnocentrism among Malaysian consumers and others countries' consumers as well as the effect of consumer ethnocentrism on foreign product judgment.*

**Keywords:** Consumer ethnocentrism, demographic variables, product judgment.

## 1. INTRODUCTION

Globalization is one of the issues widely discussed by the researchers in international business and international marketing area nowadays. According to Griffin and Pustay (2007), globalization can be defined as the inexorable integrations of markets, nation-states and technologies in a way that enables individuals, corporations, and nation-states to reach around the world further, faster, deeper and cheaper than ever before. Furthermore, Daniels, Radebaugh and Sullivan (2007), globalization as deepening and broadening interdependence among people from different parts of the world and, especially among different countries. As for Hill (2011), globalization of markets refers to the merging of historically distinct and separate national markets into one huge global marketplace and falling barriers to cross-border trade have made it easier to sell internationally. In other words, globalization is the new discourse for all forms of politics and economics across our planet, bringing the human race forward into a new world where no international borders exist. For instance, in the light of the above issue, globalization come together with abundance of foreign made products in the local market.

As a consequence of the growth of international trade and business, various ranges of products from different national origins are now available in many countries throughout the world. This has resulted in greater interest in examining consumer attitudes towards products of different national origins, as well as the primary determinants and antecedents of those attitudes. However, most research have been conducted in large industrialized countries such as the United States of America (US), United Kingdom (UK), France, Germany and Japan that have large internal markets and a wide range of domestic alternatives or brands in most product categories (Nijssen and Douglas, 2004), implying that research in developing and less-developed countries has received little attention.

For the past forty years researchers have conducted a lot of research in order to find the relationship between the perception of a country and the perception of its products. The major focus was primarily on the country of origin effect construct, which tries to understand how the origin of the products can influence the attitudes of consumers. Most of the studies revealed that the countries of origin effects do exist. For example, several studies used the country of origin as a cue in making inferences about or evaluating foreign products (for examples, Bilkey and Nes, 1982; Han, 1988; and Lavin, 1996).

The evolution of the construct contributed to the introduction of other constructs that may influence consumer attitudes such as consumer ethnocentrism, patriotism and consumer animosity. Shimp and Sharma (1987), in their study, focused on the impact of consumer ethnocentric tendencies as an underlying factor of attitudes towards foreign products. Han (1988) examined the role of patriotism in the choice between domestic and foreign made products. Recently, other issues have also received the attention of researchers, such as whether hostile attitudes towards a specific foreign country will have an impact on the attitudes towards products from that particular country (Klein, Ettenson and Morris, 1998; Klein, 2002; Nijssen and Douglas, 2004).

Nowadays, marketers all over the world are facing stiff competition among them to attract more consumers. For example, electronic products are not only produced by developed countries, but also by the emerging markets. Numerous brands such as Haier (China), Samsung and LG (South Korea), Phillips (Netherlands), Sony, Panasonic and Hitachi (Japan), Pensonic (Malaysia) and GE (US) and many others are available on the market for customers to choose. Therefore, they need the most innovative strategy in order to compete in the race of becoming a market leader. Either we like it or not, we have to live with this phenomenon.

## 2. LITERATURE REVIEW

Studies on attitudes of foreign made products among local consumers have long been receiving attention from researchers. It began when Schooler (1965) conducted a study in Guatemala to understand and examine the attitudes of consumers towards local products and imported products from several foreign countries. The study revealed that consumers negatively evaluated the products imported from less developed countries. Additionally, the study concluded that the origin of the products can negatively or positively influence the attitudes of local consumers.

Since then, hundreds of articles have been published to understand the attitudes of consumers towards foreign made products from related areas such as international business, international marketing and consumer behaviour. In addition, several aspects, such as product country image, product stereotyping, demographic effects, attitudes towards hybrid products and attitudes towards products made in developed, developing and less developed countries have been well documented (Al Sulaiti and Baker, 1998). Most of the early research found that knowledge of country of origin of the products affected consumer attitudes towards products; for example, consumers negatively evaluated products imported from less developed countries and positively evaluated products imported from developed countries (e.g. Schooler, 1971; Green and Langeard, 1975; Darling and Kraft, 1977; and Chasin and Jaffe, 1979).

Some of the key findings in the country of origin literatures are: (a) consumers generally prefer domestic products over imports especially for developed country (Elliott and Cameron, 1994; and Samiee, 1994); (b) country of origin effects are influenced by demographics (Maheswaran, 1994); (c) country of origin effects depend on product category (Roth and Romeo 1992); (d) consumers tend to have stereotypes about products and countries (Jones, 1997); (e) country of origin effects will change when consumers become more familiar with the country or when the product's actual quality improves over time (Darling and Wood 1990); (f) consumers are more likely to use the origin of a product as a cue when they are unfamiliar with the brand name of the product (Cordell 1992).

Nowadays, many other constructs were used by the researchers to relate them with the negative attitudes of local consumers towards foreign made products. As we can see, negative attitudes towards foreign products can arise from a number of sources. Han (1988) argues that patriotism affects consumers' attitudes towards foreign made products. Equally, consumers may have strong feelings of patriotism and pride in domestic products and consider it wrong, almost immoral to buy foreign products (Shimp and Sharma, 1987). On the other hand, they may hold feelings of hostility or animosity towards a specific country and hence "boycott" their products (Klein et al., 1998).

### Consumer Ethnocentrism

The general concept of ethnocentrism has been used to describe the sociological concept of an individual versus the outgroup identification since the term was introduced into the social science language by Sumner (1906). He defines ethnocentrism as when one's own group is seen as the centre and a reference for all others. Furthermore, ethnocentrism is the focus on "we group" feeling where the ingroup is the centre and all other outgroup are judged in relation to it. In simple terms, Sumner suggests a two dimensional structure of ethnocentrism: an unfavourable attitude towards outgroup as well as a favourable attitude towards ingroup.

Later, Adorno, Frenkel-Brunswick, and Levinson (1950), made a study of the racial and religious prejudice, nationalism, political ideology toward people not from one's community. From the study, came an ascribed meaning of ethnocentrism to stand for the ordinary person's unsophisticated reaction to cultural differences along with the unthinking defence of familiar ways as absolutely right and unqualified rejection of alien ways as simply wrong. The Authoritarian Personality (Adorno et al., 1950) then viewed as being related to provincialism or cultural narrowness and was described as a tendency to be ethnically centred and rigidly accepted those who were culturally "alike" and reject those who were "unlike".

The recent definition of the ethnocentrism was developed as an economic form of ethnocentrism. The researchers try to relate ethnocentrism with the consumer beliefs about the appropriateness and morality of purchasing foreign made products. Due to that, research has linked the foreign products evaluation to the level of consumer ethnocentrism. Shimp and Sharma (1987) said that consumer ethnocentrism focuses on the responsibility and morality of purchasing foreign-made products and the loyalty of consumers to products manufactured in their home country. The measurement of consumer ethnocentrism was made possible with the development of the Consumer Ethnocentric Tendencies Scale (CETSCALE) by Shimp and Sharma (1987). Highly ethnocentric consumers tend to perceived that purchasing foreign made products is wrong because it will hurt the domestic economy, it will promote the unemployment, and unpatriotic action. On the other hand, for non-ethnocentric or low-ethnocentric consumers, products from other countries are evaluated on their own merits without consideration for where they are made. Therefore, for this group, the country of origin of the products is not an important consideration to be made.

Since the introduction of the CETSCALE, researchers all over the world are using this construct measurement in order to understand the effect of consumer ethnocentrism on the attitudes of consumers towards local vs. foreign made products. Researchers from developed country (e.g. Balabanis and Diamantopoulos, 2004; and Klein, 2002) to developing countries (e.g. Kaynak and Kara, 2002) to the less develop countries (e.g. Agbonifoh and Elimimian, 1999; and Hamin and Elliott, 2006) are adopted the study to measure the ethnocentric tendency of consumers in a particular country and whether it will influence the attitudes of consumers on foreign made products.

Some of the previous studies and researchers had revealed that people from developed, more modern nations, tend to be less ethnocentric than their counterparts in developing and emerging nations (e.g., Lindquist, Vida, Plank, and Fairhurst, 2001). Perhaps, consumers in the developed countries will judge the products base on its attributes and not the origin of the products. Additionally, evidence exists to support differences between groups of developing nations as well as between groups of developed nations (e.g., Pereira, Chin-Chun, and Kundu, 2002).

Contrastingly, some researchers argue that consumer ethnocentrism is a phenomenon of the developed world (e.g., Okechuku, 1994). Consumers from less developed and developing countries have repeatedly shown a marked preference for imported goods (e.g., Agbonifoh and Elimimian, 1994). Possibly, consumers from developing countries always refer to the technological advancement of the nations in order to evaluate the products. Research from the US and other developed countries generally support the notion that highly ethnocentric consumers overestimate domestic products, underestimate imports, have a preference for, and feel a moral obligation to buy, domestic merchandise (e.g., Shimp and Sharma, 1987).

Generally, the result of the consumer ethnocentrism studies suggests that highly ethnocentric consumers tend to reject foreign made products and favour local made products (e.g., Balabanis and Diamantopoulos, 2004; and Hamin and Elliott, 2006). Furthermore, some of the studies reveals that consumer ethnocentrism is more obvious for consumers in developed countries compared to consumers in developing countries due to the availability and the quality perception of local made products (e.g., Vida and Fairhurst, 1999; and Wang and Chen, 2004).

On the other hand, for consumers in developing countries, they might perceive foreign made products especially from most developed countries as superior then their own country's products (e.g., Agbonifoh and Elimimian, 1994). However, the studies conducted by Bandyopadhyay and Anwar (2002) and Hamim and Elliott (2006) found that consumers in developing country also have high consumer ethnocentric tendencies and favour local made over foreign made products.

### **Consumer Ethnocentrism and Demographic Variables**

Commonly, the effects of demographic variables towards consumer behaviour had long been studied and recognized. Demographics describe a population in terms of its size, distributions and structure. Demographic influences consumption behaviours both directly and by affecting other attributes of individuals such as their personal values and decision making styles (Hawkins, Best and Coney, 2004). Generally, in consumer behavioural and marketing studies, a lot of demographic variables were used, for example, gender, occupation, education, income and age.

Researches in consumer ethnocentrism field has shown that women (Balabanis and Diamantopoulos, 2004), older (Balabanis and Diamantopoulos, 2004), less educated people (who are more conservative and patriotic) (Javalgi, Khare, Gross and Scherer, 2005), lower income (Lee, Hong, and Lee, 2001) and more religious (Kaynak and Kara, 2002) tend to be more ethnocentric in terms of their consumer behaviour.

Contrastingly, it must also be mentioned that some studies did not find any statistically significant relationship between the demographic variables and consumer ethnocentrism. Sharma, Shimp, and Shin (1995) found that there is no significant relationship between age and consumer ethnocentrism. On the other hand, Keillor, D'Amico, and Horton (2001) found that income did not significantly account for variations in ethnocentricity between consumers. Meanwhile, Brodowsky, Tan, and Meilich (2004) found no significant relation between education level and consumer ethnocentrism. For gender, some studies found no significant gender differences on consumer ethnocentrism (e.g., Brodowsky et al., 2004 and Keillor et al., 2001).

### **Foreign Product Judgment**

Consumers nowadays are loads with imported products from developed countries such as Japan, the US and the UK, as well as from developing countries such as China, India and Thailand due to the trade liberalization and globalization. The variety of foreign made products in local markets has increased the interest of researchers to study the attitude of local consumers towards foreign made products. The studies cover various ranges of perspectives such as judgment or evaluations of foreign products come from developed and developing countries, sentiment towards domestic products, effects of foreign products towards domestic economy and local manufacturers and lots of other perspectives (e.g., Hsieh, 2004; and Ettenson and Klien, 2005).

In examining the literature on foreign products judgment, several important viewpoint of research can be identified. It is widely examined by the researchers in their study related to international marketing and consumer behaviour especially in the construct of country of origin studies (e.g., Hsieh, 2004; and Laroche, Papadopoulos, Heslop, and Murali, 2005), consumer patriotism (Han, 1988) consumer animosity (Klein et. al., 1998; Nijssen and Douglas, 2004; and Ettenson and Klien, 2005) and consumer ethnocentrism (Hamin and Elliot, 2006; and Kaynak and Kara, 2001). Besides the term "judgment", researchers also normally used other terms such as foreign product evaluation (e.g., Nijssen and Douglas, 2004; and Brodowsky et al., 2004) in explaining this construct.

In terms of foreign product judgment from the consumer ethnocentrism perspective, most studies have found that generally, highly ethnocentric consumers will negatively evaluated foreign made products (e.g., Shimp and Sharma, 1987; and Kaynak and Kara, 2002) especially in the developed country. Researchers believed that consumers with ethnocentric tendencies have a tendency to evaluate domestic products favourably, often unreasonably so, compared to imported products. This indicates a positive relationship between consumer ethnocentrism and judgment of domestically made products, and a negative association between consumer ethnocentrism and judgment of imported products.

An empirical investigation in several developed countries have illustrated that consumers with ethnocentric tendencies have a proclivity to judge and evaluate domestic products favourably often unreasonably so, compared to imported products. Likewise, in developing countries studies found that the more ethnocentric a consumer is, the more they will have less favourable attitude towards foreign products as well as lower intention to buy foreign products. This indicates a negative association between consumer ethnocentrism and foreign products judgment.

In a study conducted by Wang and Chen (2004), they found that consumers in China might have strong ethnocentric tendencies but not necessarily perceive domestic products as being of higher quality than imports, even though they reject foreign products on moral grounds.

### **3. RESEARCH METHODOLOGY**

The data gathered was mainly from survey. Questionnaire was used to solicit information from respondents. It would be a self-administered and drop-off method of survey where short interview also involved. The interview session is to ensure that the respondents fulfilled all the requirements or required criteria. Then, the researcher will drop off the questionnaires and pick them a week after the distribution. This will give time allowance for a careful answering. The questionnaire should take approximately 20 minutes to complete. Respondents were assured anonymity and all the response will be kept strictly confidential.

The sample was drawn from residents of urban area in each states selected for the data collection. The area selected were Kota Bahru in Kelantan, Kuala Terengganu in Terengganu, Kangar in Perlis, Alor Setar in Kedah, Kuala Lumpur, Petaling Jaya in Selangor, Bandar Melaka in Melaka and Johor Bahru in Johor. This is the fact that the urban and suburban consumers of that area were believed to be more knowledgeable about foreign-made products and most of retail centres located in these towns. Out of 1000 questionnaires distributed, 710 were received back within the period of twelve weeks, make it about 71 percent response rate. Only 663 of the respondents completed all the questions. Thirty one of the returned responses were grossly incomplete while other sixteen of it had the indication of the inconsistencies in the responses.

All the constructs in this study were adapted from previous studies and measured using a 7-point Likert scale, anchored by 1 = strongly disagree and 7 = strongly agree. For consumer ethnocentrism construct, the items were adapted and modified from CETSCALE, developed by Shimp and Sharma (1987). Lastly, for the product judgment construct, the questions were adapted from the study conducted by Darling and Arnold (1988) and Klein et al. (1998).

Statistical Package for the Social Sciences (SPSS) Version 12 was used for data analyses. The data analysis commence on the demographic profile of the respondents. Assessments of scale internal consistency were also conducted. Finally, the test of mean differences between subgroups in the demographic variables were tested using independent sample T-test and one-way ANOVA. The independent sample t-test compares a dependent variable across two groups and one-way ANOVA is used whenever the number of group is two or more (Pallant, 2005). These tests were conducted to determine whether or not the subgroups within each demographic variable are significantly different in terms of their perceptions on consumer ethnocentrism construct.

#### **4. DATA ANALYSIS**

##### **Demographic Profile of Respondents**

The demographic profile of the respondents, i.e., gender, age, education level, monthly income, and the geographical region of the respondents were included in this study. The results of the descriptive analyses for all the demographic variables in this study are summarized in Table 1.

Gender was divided almost equally in this study. Over half, 51.9% (n=344) reported they were male, while 48.1% (n=319) were female. It shows a balance gender group between males and females were obtained as the respondents.

In terms of age, the study found that out of the 663 respondents, 26.4% were "30 to 34 year old" (n=175). Next largest group was the "25 to 29 year old" (19.5%, n=129) followed by the "35 to 39 year old" (15.8%, n=105), "40 to 49 year old" (17.6%, n=117), "above 50 years old" (10.6, n=70), and lastly, "below 24 years old" (10.1%, n=67) respectively.

For the education level, most of the respondents were university graduated (40.2%, n=266). There were 33.3% (n=221) were "STPM/college diploma" holder and 26.5% of the respondents (n=176) were "MCE/SPM/SPMV and below" (secondary school and below) group.

In terms of monthly household income, the study found that the largest category answered by the respondents was the "RM1000 to RM2999" income group. Over 40% of the respondents (n=270) earned this amount of monthly household income. The second largest group was the monthly household income of "RM3000 to RM4999" (25.3%, n=168) of the respondents were in this group, followed by "RM7000 and above" group (12.8%, n=82), "RM5000 to RM6999" (11.3%, n=75) and finally, "below RM1000" (9.8%, n=65). From the results, there were approximately 50% of the respondents earned monthly household incomes of below RM3000 per month.

The final categorical demographic variable was the region or geographical location of the respondents. In this study, the area was classified into four, i.e., North (Kedah and Perlis), Central / Klang Valley (Selangor and Kuala Lumpur), South (Melaka and Johor) and East Coast (Kelantan and Terengganu). 31.2% (n=207) of the respondents were from the Central region, followed by South region (24.1%, n=160), East Coast (23.5%, n=156), and lastly, North region with 21.1% of the respondents (n=140). The number of respondents from the Central region was slightly more than the other region simply because of this area was highly populated area in Malaysia. For the South and East coast the proportion of the respondents were approximately the same. Meanwhile, for the North region, this area was basically less populated compared to other region in Peninsular Malaysia, so that the number of respondents from this area was smaller compared to the other region.

**Table 1: Demographic Characteristics of Respondents (N=663)**

Demographic Characteristics	Frequency	Percentage
<b>1. Gender</b>		
• Male	344	51.9
• Female	319	48.1
<b>2. Age</b>		
• Below 24 yrs	67	10.1
• 25 to 29 yrs	129	19.5
• 30 to 34 yrs	175	26.4
• 35 to 39 yrs	105	15.8
• 40 to 49 yrs	117	17.6
• Above 50 yrs	70	10.6
<b>3. Education Level</b>		
• MCE/SPM/SPMV* and below	176	26.5
• STPM/College Diploma	221	33.3
• University Graduated	266	40.2
<b>4. Income**</b>		
• Below RM1000	65	9.8
• RM1000 to RM2999	270	40.7
• RM3000 to RM4999	168	25.3
• RM5000 to RM6999	75	11.3
• RM7000 and above	85	12.8
<b>5. Region</b>		
• North (Perlis and Kedah)	140	21.1
• South (Melaka and Johor)	160	24.1
• East Coast (Kelantan and Terengganu)	156	23.5
• Central (Kuala Lumpur and Selangor)	207	31.2

\* Secondary school

\*\* RM – Malaysian Ringgit

#### **Malaysian Consumers' Ethnocentric Tendencies**

From the literatures, the researchers have investigated the level of ethnocentric tendencies among consumers in the specific countries such as US, France, Russia and Indonesia that had been describe and explained in previous chapter. In order to make comparisons, between Malaysian Muslims consumers' ethnocentric tendencies with consumers from other part of the world, the full 17 items of CETSCALE were also included in the survey instrument used in the current study. This is to important in order get the meaningful and comparable results of current and previous results that also employed all the 17 items of CETSCALE with a seven-point Likert scale. The total possible CETSCALE score varies between 17 and 119, due to the use of the seven-point scale. The mean scale value of CETSCALE is taken as the indicator of the intensity of consumer ethnocentrism; a higher mean scale value indicates higher ethnocentric tendencies (Hamin and Elliot, 2006).

**Table 2: Comparison Results of CETSCALE Mean by Country**

Authors	Country	Respondents	Mean
Shimp and Sharma (1987)	US	Students	51.92
	Detroit	General population	68.58
	Carolinas	General population	61.28
	Denver	General population	57.84
	Los Angeles	General population	56.62
Durvasula et al., (1997)	US	Students	50.24
	Russia	Students	32.02
Watson and Wright (1999)	New Zealand	General population	62.21
Good and Huddleston (1995)	Poland	General population	69.19
	Russia	General population	51.68
Sharma et al., (1995)	Korea	General population	85.07
Caruana (1996)	Malta	General population	56.80
Hult et al., (1999)	USA	Students	61.50
	Japan	General population	40.10
	Sweden	General population	38.40
Steenkamp and Baumgartner (1998)	Belgium	General population	28.70
	Great Britain	General population	30.29
	Greece	General population	37.84
Brodowsky (1998)	US	General population	61.68
Acharya (1998)	Australia	Students	56.40
Hamin and Elliot (2006)	Indonesia	General population	74.50
<b>Current Study</b>	<b>Malaysia</b>	<b>General population</b>	<b>79.64</b>

Source: Hamin and Elliot (2006).

From Table 2, the total mean value for Malaysian Muslim consumers was 79.64. The result was then compares with others results conducted by other researchers from several countries. The mean value scores of previous literature were range from 32.02 (Russian) as the lowest mean score 85.07 (Korean) as the highest score. Obviously, from the results presented in table 4.13, Malaysian Muslims were among the highest in terms of their ethnocentric tendencies. The nearest mean value score by other country was Indonesia, where the mean score was 74.50, which was slightly lower than current study.

### Relationship between Gender and Consumer Ethnocentrism

The independent sample t-test assesses the statistical significance of the difference between two independent sample means for a single dependent variable. The difference in group mean scores is the result of assigning respondents to one of the two groups. Table 3 shows the results of the independent t-test between gender and study constructs.

Independent sample t-test was conducted to test whether or not significant differences existed between the male and female respondents with regards to their means of the study construct. From the result, consumer ethnocentrism was found to be significant between the male and female respondents and significant at 0.01 level. This finding indicated that there are differences between male and female respondents in terms of their ethnocentric tendencies. It was found that females are tended to be more ethnocentric compared to males. This finding is consistent with study conducted by Klein and Ettenson (1999) where they found that female were more ethnocentric than male.

**Table 3: Results of Independent Sample T-Test on Gender**

	Groups	N	Mean	t-value	Sig.
Gender	Male	344	78.07	-2.611	.009**
	Female	319	81.32		

\*\* - significant at  $p \leq 0.01$

### Relationship between Age, Education Level, Income Level and Geographical Region with Consumer Ethnocentrism

If the independent sample t-test compared the means of two groups, the one-way ANOVA compares the means for the categorical variables that have three or more groups. Table 4 shows the results of the one-way ANOVA test for various demographic variables and consumer ethnocentrism.

**Table 4: Results of One-Way ANOVA on Age, Education Level, Income Level and Geographical Region**

	Groups	Mean	F	Sig.	Diff***
Age	Below 24 yrs (a)	80.70	4.846	0.000**	d > b, c
	25 to 29 yrs (b)	76.95			f > b, c, e
	30 to 34 yrs (c)	77.72			
	35 to 39 yrs (d)	84.05			
	40 to 49 yrs (e)	77.73			
	Above 50 yrs (f)	84.94			
Education Level	MCE/SPM/SPMV and below (a)	82.13	13.975	0.000**	a > c
	STPM/College Diploma (b)	82.41			b > c
	University Graduated (c)	75.68			
Income Level	Below RM1000 (a)	83.88	7.459	0.000**	a, b, c > e
	RM1000 to RM2999 (b)	81.63			
	RM3000 to RM4999 (c)	79.45			
	RM5000 to RM6999 (d)	77.84			
	RM7000 and above (e)	72.01			
Geographical Region	North (a)	80.14	10.946	0.000**	a > d
	South (b)	79.43			c > a, b, d
	East Coast (c)	84.97			
	Central (d)	75.43			

\*\* - significant at  $p \leq 0.01$

With respect to the consumer ethnocentrism, the results shows that age was found to be significant with  $F=4.846$  and  $p=0.000$ . From the results, respondents who were above 50 years old had higher mean value compared those who were below 50 years of age. From the Tukey post hoc test, the mean were found to be significantly difference between respondents who were “above 50 years” of age and with those who were between “25 to 29 years” old, between “30 to 34 years” old and between “40 to 49 years” old. Moreover, those who were between “35 to 39 years” old had a significant mean difference with those who were between “25 to 29 years” old and “30 to 34 years” old group. There was no further significant mean difference among groups recorded by Tukey post hoc test. This result is consistent with Balabanis and Diamantopoulos (2004), Balabanis et al. (2004), Lee et al. (2003), Brodowsky et al. (2004), and Javalgi et al. (2005) in which age has an influence on the consumer ethnocentrism.

For the mean difference among groups base on their level of education, consumer ethnocentrism had a significant mean differences as shows in Table 4. With regard to the consumer ethnocentrism, the results was found to be significant ( $F=13.975$ ,  $p=0.000$ ). The subsequent test using the Tukey post hoc test found that the mean value was significantly different between those who had MCE/SPM/SPMV and below with those who had university degree. Similarly, those who had STPM/college diploma, the mean were significantly different with those who had



university degree. There was no significant mean difference between those who had MCE/SPM/SPMV and those who had STPM/college diploma. The result suggest that less educated people will exhibit higher ethnocentric tendencies and this is consistent with studies conducted by Balabanis et al. (2001), Balabanis and Diamantopoulos (2004), and Lee et al. (2003).

In terms of income level with regard to consumer ethnocentrism, results in Table 4 shows that it was significant at  $p \leq 0.01$  ( $F=7.459$ ). From the Tukey post hoc test, the significant mean differences were found: (i) between “below RM1000” and “RM7000 and above”, (ii) between “RM1000 to RM2999” and “RM7000 and above”, and (iii) between “RM3000 to RM4999” and “RM7000 and above”. The group of “below RM1000”, “RM1000 to RM2999” and “RM3000 to RM4999” were found to have higher mean indicating that they tend to be more ethnocentric than those who earned “RM7000 and above”. The comparison among other groups shows no significant mean differences between them. In this respect, for the income level, the lower income group of consumers tends to have higher ethnocentric tendencies than the higher income group of consumers. As suggested by Keillor et al. (2001), and Lee et al. (2003), lower income group tend to be more ethnocentric and it is consistent with the current research finding.

The last demographic variable in this research is the respondents’ regional residence area or respondents’ geographical location. For the current study, the area is divided into 4 regions, i.e., Northern, Southern, East Coast and Central. In terms of consumer ethnocentrism, the study found that there was a significant mean difference between the subgroups with  $F=10.946$  and  $p=0.000$ . The result of Tukey post hoc test shows that respondents who lived in Northern region (mean = 80.14) will show higher ethnocentric tendencies compared to those who lived in Central region (mean = 75.43). The results also shows that those who lived in East Coasts region (mean = 84.97) will have higher consumer ethnocentric tendencies compared to those who lived in Northern (mean = 80.14), Southern (mean = 79.43) and Central (mean = 75.43) region. For the comparison of mean between Southern and Central region, the post hoc test found that it was only marginally significant with  $p=0.076$  which is significant at  $p \leq 0.10$ . Furthermore, there was no significant mean difference between those who lived in Northern and Southern region. As a conclusion the result indicated that respondents who lived in Northern and East Coast region tend to exhibited higher consumer ethnocentric tendencies compared to those who lived in South and Central region.

### **Relationship between Consumer Ethnocentrism and Foreign Product Judgment**

As explained in literature review, most of the research found negative relationship between consumer ethnocentrism and foreign product judgment. Highly ethnocentric consumers will negatively judge imported products. For the current study, between consumer ethnocentrism and the US products evaluations, it is speculated that there will be a negative relationship between them. From the result, it was found that negative relationship between consumer ethnocentrism and foreign products judgment is exist and significant at 0.001 level. It shows that the level of consumer ethnocentric tendencies among Malaysian Muslim consumers will have a negative relationship with the judgment of US made product. Generally, it can be said that the higher the consumer ethnocentrism, the lower the judgment on attributes of US made products.

The result of this study is consistent with many previous studies. For example, studies conducted by several researchers in the developed and developing countries, i.e., Shimp and Sharma (1987) in the US; Javalgi et al. (2005) in France; Balabanis and Diamantopoulos (2004) in the UK; Sharma et al. (1995) in Korea; and Hamin and Elliott (2006) in Indonesia, have illustrated that consumers with ethnocentric tendencies tend to negatively judge foreign made products. They found that the more ethnocentric a consumer is, the more they will have less favorable judgment on foreign made products. As a conclusion, consistent with previous literatures, current study also found that highly ethnocentric consumers in Malaysia will negatively affect their judgment on the US made products.

## **5. CONCLUSION**

This study attempts to explore and examine the effects of several demographic variables, i.e., gender, age, education level, income level and geographical region on the ethnocentric tendencies among Malaysian consumers. For the profile of ethnocentric consumers, it is found that lower income consumers seem to have higher ethnocentric tendencies, females consumers tend to demonstrate higher ethnocentric tendencies than male consumers. Besides, age and education level play a major role in identifying the ethnocentric tendencies. It is found that older and lower educated respondents tend to be exhibit higher ethnocentric attitudes. The result is consistent with many previous studies conducted by various researchers in many country setting such as Balabanis and Diamantopoulos (2004);

Brodowsky et al., (2004) and Javalgi et al., (2005). Additionally, the study also revealed that the geographical location or residence of the respondents will have an effect on the ethnocentric tendencies. Respondents in big cities such as in Kuala Lumpur (Central Region) and Johor Baharu (Southern Region), shows lower ethnocentric tendencies than their counterparts in small cities such as Alor Setar (Northern Region) and Kota Bahru (East Coast Region). Perhaps the level of income of consumers, purchasing power and exposure towards foreign made products contributed to this finding.

For a comparison of consumer ethnocentrism tendencies for Malaysian consumers with other countries' consumers in the world, it is found that the mean score of Malaysian consumers are among the highest in the world based on available information provided by Hamin and Elliot (2006). The highest mean value is for Korean consumers (85.07) and the lowest value is for Russian consumers (32.02). The mean value of 79.64 put Malaysian consumer ranked second most ethnocentric consumers. Perhaps the findings indicated that Malaysian consumers preferred local made products compared to imported products.

Last but not least, it was found that the ethnocentric tendencies among consumers can negatively influence their attitudes towards foreign made product. Highly ethnocentric consumers tend to reject foreign made products. This finding is consistent with many studies conducted in developed and developing countries. Thus, the result supported the speculation that stated there will be a negative relationship between consumer ethnocentrism and foreign products judgment, and it can be concluded that among Malaysian consumers, their ethnocentric tendencies will affect and influence their evaluations of foreign made products. Even though some of past studies suggested that consumer ethnocentrism is an issue of consumers in developed countries (e.g., Vida and Fairhurst, 1999), the results of this study found that highly ethnocentric Malaysian Muslim consumers also devalued foreign made products.

### Biography

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