



A Study on Ethnocentric behaviour of Karnataka's Malnad region consumers

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ABSTRACT

Ethnocentrism is a nearly universal syndrome of attitudes and behaviors. Behaviors associated with ethnocentrism include cooperation with members of the in-group, but not out-groups. We show that ethnocentric behavior can emerge from a simple evolutionary model of local competition between individuals. Our agent based model treats interactions as one-move Prisoner's Dilemmas, and the inheritance of strategies as genetic, cultural, or (most plausibly) both. Results from the model demonstrate that ethnocentric behavior can evolve even when direct reciprocity is impossible, opportunities for "cheating" exist, and agents have minimal cognitive ability. When cooperating is relatively costly, ethnocentric behavior can even be necessary to sustain cooperation.

KEYWORDS: Ethnocentric, Malnad, Cultural-sensitivity

INTRODUCTION:

Ethnocentrism is the tendency to look at the world primarily from the perspective of one's own ethnic culture. The concept of ethnocentrism has proven significant in the social sciences, both with respect to the issue of whether the ethnocentric bias of researchers colors the data they obtain, and the findings from research in anthropology and sociology. Such research has revealed ethnocentrism in every culture around the world, based on number reasons, including religion, language, customs, culture, and shared history. It seems natural that people feel pride in the culture in which they have grown up and from which they have adopted their values and standards of behavior. However, the problem is that one may view other cultures not only as different, but also as inferior, with a great danger of behaving in ways that are damaging to those from other cultures. However, as increasing globalization brings different cultures together, people are learning to overcome their self-centered thinking and see human society from a broader, more inclusive perspective.

The term ethnocentrism was coined by William Graham Sumner, a social evolutionist and professor of Political and Social Science at Yale University. He defined it as the viewpoint that "one's own group is the center of everything," against which all other groups are judged. People often feel ethnocentric while experiencing what some call "culture shock" during a stay in a different country. Ethnocentrism, however, is distinguished from xenophobia, the fear of other strangers. Ethnocentrism often entails the belief that one's own race or ethnic group is the most important and/or that some or all aspects of its culture are superior to those of other groups. Within this ideology, individuals judge other groups in relation to their own particular ethnic group or culture, especially with concern to language, behavior, customs, and religion. These ethnic distinctions and sub-divisions serve to define each ethnicity's unique cultural identity.

OBJECTIVES OF THE STUDY:

1. To measure and compare the extent of consumer ethnocentrism across different socio-demographic groups of malnad region customers
2. To relate consumer ethnocentrism with different demographic variables
3. To examine the effect of country of origin of the perceptions, evaluations and likeliness of purchase of foreign-made products

RESEARCH DESIGN

An exploratory study was carried out in selected two malnad cities (Shimoga & Chikmagalur) at two exclusive show-rooms (Harsha electronics & Pai international) for a clear understanding of the research topic. 25 respondents from each city were personally met and collected the required information through structured questionnaire to understand the factors influencing the ethnocentric behaviour and product choice of Karnataka's malnad region customers. It was found that many factors influenced the customers' choice of domestic-made products. In view of these, the objectives stated above were set for the study.

REVIEW OF LITERATURE:

The purpose of this literature review is to highlight the study been already done on the topic selected for the study. Along with research that has been conducted over consumer ethnocentrism, studies concerning global openness, patriotism, and the country of origin effect will also be highlighted. Information that is known about each of these four variables is presented in this literature review and is presented in two sections.

Early conceptualization of ethnocentrism has been used predominantly in the social psychology, where the concept was defined as "the view of things in which one's own group is the centre of everything, and all others are scaled and rated with reference to it" (Sumner, 1906:13). Based on Sumner's work, Adorno et al. (1950) define ethnocentrism in terms of an individual who tends to be 'ethnically-centred', meaning to strongly accept the culturally 'alike' and reject the culturally 'unlike'. From this viewpoint, ethnocentrism is seen from an evaluative perspective, as an attitude of judging all other cultures by the standards of one's own culture. Anthropologists generally agree that ethnocentrism is found in every culture (Haviland, 1999). The feelings that we are right and they are wrong pervade every aspects of a culture's existence (Samovar and Porter, 1995).

In the consumer behaviour literature, consumer ethnocentrism denotes the beliefs held by consumers about the appropriateness and morality of purchasing foreign-made products (Shimp and Sharma, 1987). For highly ethnocentric consumers, purchasing foreign products leads to job losses, hurts the economy, and is viewed as unpatriotic behaviour. Ethnocentric tendencies are significantly negatively correlated with attitudes towards foreign products (e.g., Shimp and Sharma, 1987; Speece and Pinkaeo, 2002; Klein, 2002; Ulgado and Lee, 1998). Therefore, it is expected that consumer ethnocentrism and intention to buy local products are positively related.

Consumer Ethnocentrism: The first section of the literature review is concerned with presenting research that has been conducted over consumer ethnocentrism. The first purpose of this section is to establish the construct of consumer ethnocentrism. This study was designed to develop a scale for measuring what the researcher call consumer ethnocentrism. Even though the general applicability of ethnocentrism to the study of consumer behavior has been recognized, no known work has related the concept to suit the study of marketing and consumer behavior. In this case, the researchers use the term consumer ethnocentrism to represent the beliefs held by malnad consumers about the appropriateness, indeed morality, of purchasing foreign made products. To ethnocentric consumers, purchasing imported products is wrong because it hurts the domestic economy, causes loss of jobs, and is unpatriotic. To non-ethnocentric consumers, however, foreign products are objects to be evaluated on their own merits without consideration for where they are made.

Cultural sensitivity: Individuals in a society have different experiences and attitudes toward the value and norms other cultures different from

their own. If members in a culture have opportunities to be exposed to individuals belonging to other cultures, their prejudice against the difference of their own from others tends to be lessened (Sharma, Shimp, and Shin, 1995). This characteristic reflects their cultural sensitivity, which concerns the degree of awareness, understanding, and acceptance of the values of other cultures (e.g., Craig and Douglas, 2000).

As a result, consumers with high level of cultural sensitivity are likely to accept the differences between their own cultures and other cultures, and are willing to learn from and join with people in other cultures. Consumers with high level of ethnocentric tendency are likely to believe that buying a foreign product is not right. Therefore, they have a tendency to use local products. However, when consumers evaluate a product, they tend to evaluate it based on their overall perception of the quality or on the attributes of the product itself. For this reason, consumer ethnocentrism may have a positive relationship with intention to buy local products but may not be related to foreign product judgment.

HYPOTHESES:

The following hypotheses are designed to test the concept of the study. They are mentioned as under;

H0: Attributes of the products are unrelated for selection of brands

H0: Age and Income are independent to possess ethnocentric behaviour

H0: Proclivity towards domestic-made and income are independent of each other.

SIGNIFICANCE OF THE STUDY:

Review of literature reveals that there are studies in the areas of ethnocentric behaviour in other countries' customers, customer satisfaction and their behaviour towards the domestic-made products. But they did not fit into the socio-cultural back-ground of India and Indians. More-over, Karnataka's malnad regions people's culture, tradition, food habits, economic background etc. are different than that of other part of Karnataka. Some of the customers from malnad region are highly ethnocentric. But it is not clear which income group of people with what education wish to buy domestic-made products. This study throws lights on ethnocentric behaviour of Karnataka's Malnad region consumers, which is a useful to organized and unorganized retail outlets to invest their money different products for sale.

Data Analysis and Interpretation:

50 respondents are randomly selected from two malnad cities, namely Shimoga and Chikmagalur from the state of Karnataka. 25 respondents were interviewed from each city in two big electrical and home appliances shops namely Harsha electronic (Store-A) and Pai international (Store-B) respectively through structured questionnaire. Chi-square, standard deviation and mean are used as statistical tool to test the significance variable.

Table No.1 Significant association between age & income and ethnocentric behaviour

Age		
	Value	Asymp. Sig.
Pearson Chi-Square	187.405	0.000
Likelihood Ratio	117.926	0.009
Linear-by-Linear Association	0.043	0.836
Income		
	Value	Asymp. Sig.
Pearson Chi-Square	120.549	0.000
Likelihood Ratio	95.745	0.001
Linear-by-Linear Association	21.252	0.000

110 cells (100.0%) have expected count less than 5. The minimum expected count is .08. Since the computed value is less than the critical value, null hypothesis is rejected and conclude that there is a greater association between the age and income and ethnocentric behavior. The level of consumer ethnocentrism will show significant relationships with consumer attitudes and buying intentions towards the domestic made products.

Table No.2 Inclination towards domestic-made and education are independent of each other

	Value	Asymp. Sig.
Pearson Chi-Square	120.549	0.000
Likelihood Ratio	95.745	0.001
	Asymp. S.E.	Approx. T
Interval by Interval (Pearson's R)	0.071	6.063
Ordinal by Ordinal (Spearman R)	0.105	5.122

75 cells (100.0%) have expected count less than 5. The minimum expected count is .08. Using the asymptotic standard error assuming the null hypothesis. Since the computed value is less than the critical value, null hypothesis is rejected and conclude that there is a greater inclination towards domestic-made products and education and both are independent of each other.

Table No. 3 Significance association between income and usage of foreign goods

	Value	Asymp. Sig.
Pearson Chi-Square	135.556	0.000
Likelihood Ratio	92.057	0.002
	Asymp. Std. Error	Approx. T
Interval by Interval (Pearson's R)	0.176	0.654
Ordinal by Ordinal (Spearman's R)	0.175	-0.034

75 cells (100.0%) have expected count less than 5. The minimum expected count is .08. Using the asymptotic standard error assuming the null hypothesis. Since the computed value is less than the critical value, null hypothesis is rejected and conclude that there is a greater inclination towards usage of foreign-made products and income.

The study has proved that there is a significant association among sex, age, education, income and ethnocentric behavior. Consumers whose education and income is good are less ethnocentric but more brand oriented. Consumers with less education and less income are more ethnocentric as compared to earlier statement. Most of the middle income grouped people would like to use foreign-made goods as status of symbol.

Literature Review Summary: This literature review has examined research related to consumer ethnocentrism and three other variables that has measured in this study. The first section of the literature review examined the construct of consumer ethnocentrism as well as the reliability and validity of the hypothesis.

Research Findings:

1. Indians desire foreign goods: This study explains an average Indian's fondness of foreign goods. These reasons include search for status of symbol in the hierarchy of conscious Indian society, inferiority complex vis-à-vis the foreign rulers increased contact with the west, raising income, changing expectations and cultural receptiveness to symbolism of brands.
2. Consumer ethnocentrism is a phenomenon of developed world: A cross country comparison of the degree of consumer ethnocentrism reveals that Indian have a low CETSCORE as compared to other developed nations – USA, UK, Canada, Poland etc.
3. Financial independent consumers tend to exhibit higher degree of ethnocentrism: This can be explained that the financially independent individual has fear of losing his job to a foreign competitor. He feels that buying foreign-made products in un-patriotic and hurts the Indian economy. Highly ethnocentric consumers are of high age, less educated, females and have low income.
4. COO cue are important in product evaluation and purchase decision: A positive assessment of the source country projects to a consumer's evaluation of the general and specific products attributes, which has been explained through high and positive degree of correlation and cross tabulation.
5. COO cue are used more often in high involvement purchases and purchase situations where there is little or no experience: India consumers make use of a halo to perceived product quality and

value based on its country of its origin. This is explained because of the high perceived risk in such purchase situation.

Implications for Marketers:

1. Indians desire foreign-made products:
 - Foreign companies eyeing a billion of Indian customers support and encouragement.
 - They should focus less resources on 'Indianizing' or 'Localizing' the brand as majority of Indian consumers are less ethnocentric.
2. Highly ethnocentric consumers are of high age, less educated, females and have low income: It implies that the companies are targeting the affluent young Indians, 'Made in India' tag is a liability, and hence domestic manufacturers should brand themselves 'international' through their marketing communication.
3. Importance of coo cues in product evaluations: Marketers need to recognize the Country of Origin (coo) as fifth element in the marketing mix. In the era of globalization, consumers are increasingly looking for COO cues for ascertain the quality and value of the product.
4. Future of foreign electronic products: The future of foreign electronic goods market is very bright in Indian market as evident from this study. For fondness of American product is explained in this study because of the exposure to the popular culture, and for Japanese products because of reputation built over the years for design, quality and reasonable price.

Conclusion:

Of particular interest of this study was to examine the role of consumer ethnocentrism and cultural sensitivity on the intention to buy local products by malnad region consumers. Also, comparisons among different types of product and different groups of consumers were of investigated. Based on the analysis of a survey of n = 50 consumers, we found consumer ethnocentrism had a direct and indirect (via foreign product judgment) on intention to buy local products. However, cultural sensitivity only had an indirect impact on the intention to buy local products along with age education and income. The findings of this study have a numbers of implications.

Firstly, it contributes to the literature on consumer behaviour by adding the results found in a transitional market, which has largely been ignored by researcher. Secondly, the findings reveal the importance of consumer ethnocentrism in the choice between foreign and local products by malnad customers. Local dealers of domestic products can incorporate this finding into their marketing programs (such as unique selling proposition) to invite consumers to go back to local products, which have lost their market shares to imported products.

This study has number of limitations; few are mentioned as under:

- This study has been carried out in Malnad region of Karnataka state being economically sound and exposed to foreign-made products. Hence, research results do not depict the typical Indian consumers.
- The study has taken into account of specific product category i.e. electrical and electronic goods segment. Hence, research result and conclusion cannot be generalized for all product segments.
- The effect of the variable on consumer behavior cannot be studied over a period of time due to time constraint.

This is also another direction for future research. Finally, other factors, such as consumer achievement orientation, may contribute to the intention to buy local products by malnad region consumers even other districts too. This also deserves to investigate in future research

In this way, ethnocentric strategies and behavior can emerge and be maintained. When agents with similar traits form coherent regions, cooperation on the basis of ethnocentric behavior emerges and is sustained, even with substantial opportunity for cheating. Ironically, the ability to discriminate can support the evolution of cooperation based on ethnocentric behavior.

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