

Consumer Ethnocentrism and Chinese Products Evaluation

Arshveer Kaur,

Assistant Professor,
Guru Gobind Singh College for Women, India.

ABSTRACT

We are living in an environment where there has been a great change and consumers have also taken their shares from them, especially globalization, mobility in the world, and events like the September 11th attack have some effects on consumers' attitudes. The concept of "consumer ethnocentrism" and its impact on product evaluation comes to mind. In this study, we will try to evaluate the Indian consumers' ethnocentric tendencies for Chinese products.

Ethnocentrism is the tendency to look at the world primarily from the perspective of one's own culture and defined as the viewpoint that "one's own group is the center of everything," against which all other groups are judged: (<http://en.wikipedia.org/wiki/Ethnocentrism> 9/26/2007).

Ethnocentrism the feeling that one's group has a mode of living, values, and patterns of adaptation that are superior to those of other groups. It is coupled with a generalized contempt for members of other groups: (<http://www.encyclopedia.com/doc/1E1-ethnocen.html>).

Consumer ethnocentrism (CE) strives with a specific evaluation of foreign products. These products are evaluated favorably or unfavorably based on consumer's home country or the country the consumer has an identity towards (Lundstrom, Lee and White, 1998).

The objective of this paper will be to recognize the Indian consumer's ethnocentricity level in their purchasing behaviors towards the factors they pay attention to when purchasing domestic or Chinese goods and products, and to exhibit the relationship between their purchasing behaviors.

The research will be limited to the consumers of Mohali (Punjab).

Keywords: product evaluation, globalization, mobility etc.

INTRODUCTION:

The emergence of Chinese products and its growing popularity has been a phenomenon for social science researchers. In addition, the "cheap" image of Chinese products together with their product quality have raised the issue to investigate further why customers buy Chinese products and what they perceive before buying. A number of studies already been conducted on the effect of country-of-origin image on customers' purchase behavior which are mostly in the context of developed countries. Therefore, this study efforts to fill up the gap that hardly ever been studied on the perception of consumers towards buying of Chinese products particularly on the Indian context.

"Ethnocentrism" is a commonly used word in circles where ethnicity, inter-ethnic relations, and similar social issues are of concern. The usual definition of the term is "thinking one's own group's ways are superior to others" or "judging other groups as inferior to one's own". "Ethnic" refers to cultural heritage, and "centrism" refers to the central starting point... so "ethnocentrism"

Consumer ethnocentrism (CE) strives with a specific evaluation of foreign products. These products are estimated unfavorably or favorably based on the country the consumer has an identity towards or consumer's home country (Lundstrom, Lee and White, 1998). Besides CE is the belief that it is wrong to buy imported products because it spoils one's fellow citizens and the domestic economy. Therefore these tendencies for CE influence purchasing manners or behavior.

The emergence of Chinese products and its growing popularity has been a phenomenon for social science

researchers. In addition, the “cheap” image of Chinese products together with their product quality have raised the issue to investigate further why customers buy Chinese products and what they perceive before buying. A number of studies already been conducted on the effect of country-of-origin image on customers’ purchase behavior which are mostly in the context of developed countries. Therefore, this study will be an effort to fill the gap that hardly ever been studied on the evaluation of Chinese product and consumer ethnocentrism.

REVIEW OF LITERATURE:

"Consumer ethnocentrism" term is utilized frequently to speak to the perspectives held by buyers about "the appropriateness, without a doubt, profound quality of acquiring foreign products" (Shimp and Sharma 1987, p.280). From this viewpoint, it is undesirable to purchase foreign products because it is measured hurtful to the consumer's own country economy and thus, unpatriotic. Therefore, ethnocentric consumers are more inclined to highlight the recompense of domestic products and to abandon the positive attributes of foreign products (Sharma and Shimp 1995; Shimp and Sharma 1987).

Research from developed countries usually supports the notion that extremely partiality customers overestimate domestic product, and underestimate foreign product (Balabanis and Diamantopoulos 2004; Shoham and Maia Makovec Brencinccirc 2003; Wang and bird genus 2004). Even within the state of affairs wherever there aren't any domestic whole or various accessible in a very product class, client partiality and feelings of enmity will still have a very important impact on the analysis of foreign product within the The Netherlands (Nijssen and pol2004). Consumer partiality is additionally a dynamic thought that's closely associated with the degree of cultural openness, world-mindedness, yet because the dynamical pattern of nationalism, political orientation and nationalism (Rawwas, Rajendran, and Wuehrer 1996; Sharma, Shimp, and Shin 1995). for instance, Japanese customers value the merchandise that originate within the home country (versus foreign country) additional favourably notwithstanding product superiority whereas customers within the us value the merchandise that originate within the home country additional favourably only the merchandise is superior to competition (Gurhan-Canli and Maheswaran 2000).

The yankee client partiality modified considerably once "911" and proof showed that nationalism and internationalism became the foremost vital predictors of client ethnocentrism: additional nationalistic and fewer internationalist yankee customers were additional partiality (Lee, Hong, and Lee 2003).

Research conducted in developing countries indicates that influence of partiality is expounded to different factors, such as, the degree of socio-economic and technological development of the country of origin and mode dimensions of the house country (Kaynak and Kara 2001). for instance, Reardon et al (2005) investigated however partialityand economic development at intervals transformation economies (Kazakhstan, within the early stages and Slovenija, extremely advanced) have an effect on the formation of brand name angles and attitude toward advertisements. The results show that ethnocentricity will lead to negative advertizement impact, however the impact of partiality is stronger in a very recently transitioning economy than in a very additional developed economy. Additionally, in developing economies, foreign brands area unit oft distinguished from native brands by worth levels. within the Philippines as an example, imports from all countries command vital worth premiums over domestically made product (Hulland, Todino, and Lecraw 1996). Recent analysis found that the magnitude of influence of client partiality on client preference varies with the precise, country of origin and therefore the particular product class (Balabanis and Diamantopoulos 2004).

OBJECTIVES OF THE STUDY:

1. To study the demographic properties of consumers and their perception of ethnocentrism towards Chinese products.
2. To study the domestic/ Chinese product preference of consumer and their perception of ethnocentrism.
3. To study the ethnocentrism-oriented perceptions of consumers in their purchasing behaviors vary according to their political stance.

Research Methodology:

The objective of this study is to find out the consumer ethnocentrism and Chinese product evaluation. A survey was carried out targeting population of consumers in Mohali.

Hypothesis of the Research:

H1: There is a relationship between the demographic properties of consumers and their perception of

ethnocentrism towards Chinese products.

H2: There is a relationship between the domestic/ Chinese product preference of consumer and their perception of ethnocentrism.

H3: The ethnocentrism-oriented perceptions of consumers in their purchasing behaviors vary according to their political stance.

Research Paradigm:

The nature of this research paradigm and research strategy is primary exploratory.

Research Design:

In the previous section the previous studies were reviewed and a brief introduction to the exploration and understanding research paradigm and research strategy for this study was presented. In this section the research design will be explained. In order to answer the research questions, a flexible research strategy was designed. Multiple methods of data collection were used to conduct this survey. The rationale behind choosing a study was the exploration and understanding of a particular phenomenon, consumer ethnocentrism and Chinese product evaluation, that needs to be documented within its real life context.

Data Collection:

Both primary and secondary data were used in present study. Primary Data was collected through questionnaire. Secondary Data was collected from various journals, books, magazines and internet. The data was collected through the questionnaires. Sample size refers to the total number of respondents targeted for collecting the data for the researcher and sampling unit is the single most unit of the population, single person or group of persons, from whom questionnaire are filled till target is fulfilled. The sample of the current study is 100 respondents of Mohali and collect the data for this study convenience sampling technique was used. The sampling unit for this study was any consumer. All the questionnaire were reviewed and the data which was collected through the questionnaire was first transferred in the master and which later on facilitated the tabulation of data in the desired form.

DATA INTERPRETATION AND ANALYSIS:

Percentage analysis was conducted to find the results of this study. Table 1 shows that 74% of the respondents from whom the data was collected are male and rest 26% of them are females. 68% of them are settled in city with their families, 14% of them are settled in town with their families and rest 18% of them are settled in village with their families. 100% of them are single and Table 2 shows that 22% of the consumers strongly agree that Indian citizen should always purchase Indian products instead of Chinese items, 52% of them agree and rest 26% of them are undecided that whether Indian citizen should always purchase Indian products instead of Chinese items to encourage the domestic market. 42% of them strongly agree that only the products that are not available in India should be imported, 40% of them agree that only the products that are not available in India should be imported and rest 18% of them disagree with the same as they might have preference for imported products. Approximately half of the respondents agree that the products produced in India should be purchased to enhance the employment status of the country rather than buying the Chinese products. 82% of them are strongly agree and agree that domestically produced items should always be our first and primary choice and rest 18% of them are disagree that domestically produced items should always be our first and primary choice. Above 90% of the consumers who were the respondents of this study disagree that buying Chinese products mean anti-Indian. Around 20% of the consumers believe that buying Chinese product is not right but more than half of them believe that buying the Chinese products is right.

2% of them are strongly agree that they have to buy the items produced in India instead of those in China so as not to make other countries richer than India, 68% of them are agree that they have to buy the items produced in India instead of those in China so as not to make other countries richer than India, 14% of them are undecided that they have to buy the items produced in India instead of those in China so as not to make other countries richer than India, 10% of them are disagree that they have to buy the items produced in India instead of those in China so as not to make other countries richer than India and rest 6% of them are strongly disagree that they have to buy the items produced in India instead of those in China so as not to make other countries richer than India.

60% of them agree that buying domestic items is always the best, 6% of them undecided that buying domestic items is always the best, and rest 34% of them disagree that buying domestic items is always the best. 24% of them strongly agree that only very little commerce or products intake from China should be made, and only when it is necessary, 46% of them are agree that only very little commerce or products intake from China

should be made, and only when it is necessary, 14% of them are undecided that only very little commerce or products intake from China should be made, and only when it is necessary, 12% of them disagree that only very little commerce or products intake from China should be made, and only when it is necessary and rest 4% of them strongly disagree that only very little commerce or products intake from China should be made, and only when it is necessary. 30% of the respondents strongly agree and agree that Indian people should not buy Chinese products, because it would damage the business life of India and lead to unemployment, 14% of them are undecided and 36% disagree with the same. and rest 10% of them are strongly disagree as they are of the opinion Chinese products are not threat to the Indian business life and will not lead to unemployment. 52% of them are agree that the cost would be higher for them, they prefer domestic products, 14% of them are undecided that the cost would be higher for them, they prefer domestic products, 22% of them are disagree that the cost would be higher for them, they prefer domestic products and rest 12% of them are strongly disagree that the cost would be higher for them, they prefer domestic products

6% of them are strongly agree that Chinese should not be permitted to place their products in their market, 12% of them are agree that Chinese should not be permitted to place their products in their market, 62% of them are disagree that 52% of them are agree that Chinese should not be permitted to place their products in their market and rest 20% of them are strongly disagree that Chinese should not be permitted to place their products in their market.

12% of them are strongly agree that high import tariffs should be imposed in order to prevent the entry of Chinese products into the Indian market, 44% of them are agree that high import tariffs should be imposed in order to prevent the entry of Chinese products into the Indian market, 14% of them are undecided that high import tariffs should be imposed in order to prevent the entry of Chinese products into the Indian market, 26% of them are disagree that high import tariffs should be imposed in order to prevent the entry of Chinese products into the Indian market and rest 4% of them are strongly disagree that high import tariffs should be imposed in order to prevent the entry of Chinese products into the Indian market.

Most of the consumers are of the point of view that only the products which cannot be supplied by our own companies should be imported and 16% of them could not decide and 4% of them strongly disagree with the same.

8% strongly agree that the consumers who purchase Chinese origin products are responsible for the unemployment of their citizen and 20% of them are could not decide that the consumers who purchase Chinese origin products are responsible for the unemployment of their citizens or not and 18% of them strongly oppose that the consumers who purchase Chinese origin products are responsible for the unemployment of their citizen.

SUGGESTIONS:

- Consumers should buy the items produced in India in order to support employment in India.
- Consumers should domestically produced items should always be our first and primary choice.
- Indian people should not buy Chinese products, because it would damage the business life of India and cause to unemployment.
- Consumers are disagree that all imports should be restricted.
- High import tariffs should be imposed in order to prevent the entry of Chinese products into the Indian market.
- Consumers should import only those products that they cannot supply within their own company.
- Chinese origin products should be responsible for the unemployment of their citizen.

CONCLUSION:

- Consumers buy the items produced in India in order to support employment in India.
- Consumers domestically produced items should always be our first and primary choice.
- Consumers disagree that buying Chinese products mean anti-Indian.
- Consumers disagree that buying Chinese products is not right. -
- Consumers disagree that buying Chinese products is not right.
- Consumers agree that buying domestic items is always the best.
- Consumers disagree that Indian people should not buy Chinese products, because it would damage the business life of India and cause to unemployment.
- Consumers are disagree that all imports should be restricted.
- Consumers are agree that the cost would be higher for them.
- Consumers are agree that high import tariffs should be imposed in order to prevent the entry of Chinese products into the Indian market.

- Consumers are agree that they should import only those products that they cannot supply within their own company.
- Consumers are disagree that the consumers who purchase Chinese origin products are responsible for the unemployment of their citizen.

LIMITATIONS AND FUTURE RESEARCH:

The results from this study must be qualified in terms of several limitations that, in turn, identify opportunities for future consumer research in India.

- First, this study represents a "snapshot" of Indian consumers' decision making at a time when their economic system is undergoing major change.
- As the evolution towards a free market continues, there will be more affluent, more discriminating, and more sophisticated consumers in India.
- Further, consumers will face more information and more choices as the globalization increases. Future research may need to focus on how ethnocentrism influences consumers' information processing in face of too much information as more similar brands appear in the marketplace.
- Since India is not evenly developed in terms of regions and industries, more sophisticated sampling methods (e.g., random probability sampling, quota sampling) should be employed in future research to recruit respondents whose demographics, lifestyles, and consumer behavior are distinct.

REFERENCES:

- Balabanis, George and Adamantios Diamantopoulos (2004). Domestic Country Bias, Country-of-Origin Effects, and Consumer Ethnocentrism: A Multidimensional Unfolding Approach, *Journal of the Academy of Marketing Science*, 32(1), 80-95.
- Gurhan-Canli, Zeynep and Durairaj Maheswaran (2000). Cultural Variations in Country of Origin Effects, *Journal of Marketing Research*, 37(3), 309-318.
- Hulland, John, Honorio S. Todino, and Donald L. Lecraw (1996). Country-or- Origin Effects on Sellers' Price Premiums in Competitive Philippine Markets, *Journal of International Marketing*, 4(1), 1-7.
- Kaynak, E. and A. Kara (2001). An Examination of the Relationship among Consumer Lifestyles, Ethnocentrism, Knowledge Structures, Attitudes and Behavioral Tendencies: A Comparative Study in Two CIS States, *International Journal of Advertising*, 20 (4), 455-482.
- Lee, Wei-Na, Ji-Young Hong, and Se-Jin Lee (2003). Communicating with American Consumers in the Post 9/11 Climate: an Empirical Investigation of Consumer Ethnocentrism in the United States, *International Journal of Advertising*, 22 (4), 487-510.
- Lundstrom, W.J., Lee, O.W, & White, D.S (1998). Factors influencing Taiwanese consumer preference for foreign-made white goods: USA versus Japan. *Asia Pacific Journal of Marketing and Logistics*. Vol. 10, Iss. 3.
- Nijssen, Edwin J. and Susan P. Douglas (2004). Examining The Animosity Model In A Country With A High Level Of Foreign Trade, *International Journal of Research in Marketing*, 21 (1), 23-38.
- Sharma, Subhash, Terence A. Shimp and Jeongshin Shin (1995). Consumer Ethnocentrism: A Test of Antecedents and Moderators, *Journal of Academy of Marketing Science*, 23 (1), 26-37.
- Shimp, Terry. A. and Subhash Sharma (1987). Consumer Ethnocentrism: Construction and Validation of the CETSCALE, *Journal of Marketing Research*, (August), 24 (3), 280-289.
- Shoham, Aviv and Maja Makovecc Brencinccirc (2003). Consumer Ethnocentrism, Attitudes, and Purchase Behavior: An Israeli Study, *Journal of International Consumer Marketing*, 15 (4), 67-86.
- Wang, Ceng Lu and Zhen Xiong Chen (2004). Consumer Ethnocentrisms and Willingness to Buy Domestic Products in A Developing Country Setting: Testing Moderating Effects, *Journal of Consumer Marketing*, 21 (6), 391-400.

ANNEXURE:

Table 1: Result of Demographic variables

Basic Factors	Categorization	Frequency	Percentage
Gender	Male	37	74%
	Female	13	26%
Settlement unit of their families	Metropolis	0	0%
	City	34	68%
	Town	7	14%
	Village	9	18%
Civil Status	Married	0	0%
	Single	50	100%
Employment Status	Employed	0	0%
	Unemployed	50	100%

Factors affecting product preference

	Local products	Foreign products
High quality	9	41
Reasonable price	50	0
Ease of availability	11	39
Prestige provision	50	39

Table 2: Result of Respondents Ethnocentrism Perceptions

	Strongly Agree	Agree	Neutral	Dis-Agree	Strongly Disagree
Indian citizen should always purchase products instead of Chinese items.	42	51	7	0	0
Only the products that are not available in India should be imported.	33	23	25	19	0
We should buy the items produced in India in order to support employment in India.	31	42	12	15	0
Domestically produced items should always be our first and primary choice	37	42	12	15	0
Buying Chinese products mean anti-Indian.	31	33	25	11	0
Buying Chinese products is not right.	31	45	24	0	0
A real Indian citizen should always buy domestic products.	14	15	36	24	11
We have to buy the items produced in India instead of those in China so as not to make other countries richer than India.	1	34	7	5	3
Buying domestic items is always the best.	0	30	3	17	0
Only very little commerce or products intake from China should be made, and only when it is necessary.	12	23	7	6	2
Indian people should not buy Chinese products, because it would damage the business life of India and cause to unemployment.	6	14	7	18	5
All imports should be restricted.	0	2	0	40	8
Even if the cost would be higher for me, I prefer domestic products.	0	26	7	11	6
Chinese should not be permitted to place their products in our market.	3	6	0	31	10
High import tariffs should be imposed in order to prevent the entry of Chinese products into the Indian market.	6	22	7	13	2
We should import only those products that we cannot supply within our own company.	4	32	8	4	2
The consumers who purchase Chinese origin products are responsible for the unemployment of their citizen.	4	5	10	22	9
